

Formation Of MDRT Foundation Is Announced At Round Table Meeting

By ROBERT B. MITCHELL

BAL HARBOUR, FLA.—Some 700 members and guests of the 1959 Million Dollar Round Table at the tradi-



Edmund Fitzgerald



Adon N. Smith II

tional MDRT breakfast Monday, at the Americana Hotel heard:

—From Chairman Edmund Fitzgerald of Northwestern Mutual Life the announcement of the formation of the Million Dollar Round Table Foundation, including a substantial contribution to the foundation, by Northwestern Mutual in honor of its agent, Adon N. Smith II, of Charlotte, N. C., who is serving as chairman of the 1959 MDRT.

—From President Oren D. Pritchard of National Assn. of Life Under-

writers an exhortation to form local groups of influential citizens to arouse their congressmen against the inflation peril and assure them of support in anti-inflationary measures. (Later in the meeting, a distinguished economist gave an encouraging forecast on prospects for holding the line against further inflation.)

—From MDRT Chairman Smith a

OFFICERS ELECTED

Chairman—Robert S. Albritton, Provident Mutual, Los Angeles.

Vice-Chairman—James B. Irvine Jr., National Life of Vermont, Chattanooga.

Immediate Past Chairman—Adon N. Smith II, Northwestern Mutual, Charlotte, N. C.

Members of executive committee—Lester A. Rosen, Union Central Life, Memphis (reelected), and Daniel H. Coakley, New York Life, Boston.

review of the extensive activities of the Round Table during the past year.

The objectives of the new MDRT foundation, Mr. Fitzgerald explained, are "to aid generally in furthering public understanding and enjoyment of the benefits and uses of life insurance through:

"1. The determination and imple-

mentation of research projects having as their object better understanding of the financial problems, personal and business, of American citizens.

"2. Surveys or studies designed to



R. S. Albritton



Oren D. Pritchard

discover public habits and attitudes with regard to all phases of financial planning, savings, investment and personal security.

Studying Economic Factors

"3. Studies of economic factors relating to individual savings and security, such as inflation, income distribution, taxes, etc.

"4. Studies and projects with the object of rendering more effective the relationships between all types of financial advisers and the public.

(CONTINUED ON PAGE 14)

Business Must Unite To Face Problems, LIC Told

Evans Urges Closed Ranks To Deal With Inflation; Acree New President

By GEORGE E. WOHLGEMUTH

WHITE SULPHUR SPRINGS, W. Va.—With the nearly all-absorbing problem of company federal income tax legislation settled, at least temporarily, by the bill which is currently awaiting President Eisenhower's signature, interest at the 50th annual meeting of Life Insurers Conference turned again to other prickly problems facing the business with a recognition that harmony must be restored if they are to



Richard B. Evans



John T. Acree

be dealt with effectively. Among these are broadened group coverage to include dependents, jumbo group plans, expansion of creditor group into fields never intended in its original concept, variable annuities, a new mortality table, "cheaper by the thousand" policies, minimum deposit plans, the family plan, and the intensive solicitation of company personnel at all levels.

These were all cited by Richard B. Evans, president of Colonial Life, in his stimulating presidential address, in pointing out the need to restore harmony among all segments of the business.

Attendance reached the very satisfactory level of 345, with 68 member companies represented.

Representatives of two new member

(CONTINUED ON PAGE 21)

Pacific Actuaries At Spring Meeting Study Tax Effects Of New Legislation

Probable effect on life company income taxes of the tax bill just passed by Congress was a subject of particular interest at the spring meeting of Actuarial Club of the Pacific States at San Francisco. The attendance of 135 was unusually large because of the presence of a number of actuaries from the east who attended the Society of Actuaries meeting there.

One actuary said his research indicated that taking the tax under the 1942 law as being 100%, the tax under the interim bill for a group of mutual companies has been 64% and under the new bill it will be about 92%. For a representative group of stock companies the ratios were, respectively, 100%, 64%, and 124%.

Attention was called to the fact that under the new law tax exempt municipal bonds will again become a desirable investment for life companies. The effective yield under such bonds is as great as under mortgages which have a net yield of 1½% greater, or a gross yield of 1½% greater, allowing ½% for servicing.

In spite of the generally higher taxes that will have to be paid, there will be certain advantages to the companies in being taxed more like ordinary corporations, in that under the new law certain items of expense will be subject to deduction and thus cost effectively 48% of their gross amounts.

On the subject of ordinary life, most companies reporting said that they planned to base reserves on the

1958 C.S.O. Table as soon as legislation permitted them to do so. One newly organized company is going to use the new table immediately.

Graded premiums for ordinary are becoming almost universal, the actuaries decided. The principal difference between companies is whether they use the "band" method or the "policy fee" method. The latter is more logical but there is some psychological barrier to its use. One company avoids this by printing in its manual a rate per \$1,000, with a notation that there is an extra charge of \$2.50 for each of the first \$3,000 only.

Over the past 10 years, the limits of non-medical insurance have risen markedly, it was noted. The limits do not vary very much according to the size of the issuing company, but rather with the age of the insured, with higher non-medical limits at the lower ages.

A few companies reported on their experience with so-called "high cash value" or "minimum deposit" plans. The experience has been quite unsatisfactory, with first year lapse rates running as high as 75%. The lapse rate was especially high among insiders, where the insured was an agent or broker, or his wife. At least one company will no longer issue such policies to persons in this class since it feels the business is obviously undesirable.

Discussion of A&S started on the

(CONTINUED ON PAGE 23)

Variable Annuity Life, SEC Agree On Supervision Basis

WASHINGTON—After extensive conferences, Variable Annuity Life of Washington and the Securities & Exchange Commission have agreed on a basis under which the company will operate under the SEC supervision required by the recent U. S. Supreme Court decision.

To Form Second Corporation

A second corporation will be formed, to be called Variable Annuity Corp. This will be analogous to an open-end investment company (mutual fund) and will take in and invest the money

(CONTINUED ON PAGE 23)

George N. Charuhas, Fidelity Mutual, Miami, second from left, elected president of Florida General Agents & Managers Assn. at the annual convention of Florida Life Underwriters Assn. in Jacksonville, receives gavel of his office from outgoing head, Phil C. Hoche, Kansas City Life, Orlando, and chairman of the NALU nominating committee. Looking on are William Hamrick, senior vice-president of Gulf Life, left, and winner of the Florida agents association's man of the year award, and Willis H. Parker, Independent Life, Jacksonville, and president of the agents group.



Looking on are William Hamrick, senior vice-president of Gulf Life, left, and winner of the Florida agents association's man of the year award, and Willis H. Parker, Independent Life, Jacksonville, and president of the agents group.

Turnout From Home Offices Reflects IAAHU's Key Role

Regarded As Indicative Of Field Man's Vital Job In Fighting Forand-Type Bills

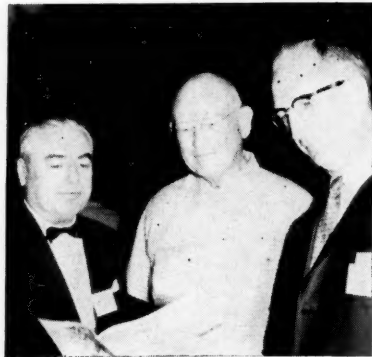
By ROBERT B. MITCHELL

The unusually large home office representation at the meeting of International Assn. of A&H Underwriters at French Lick Springs last week undoubtedly reflected the increased realization that the agent is the key—or at least a major factor—in the critically important job of forestalling further government encroachment into the A&S business at the 1960 elections.

There is also apparently a realization that although the field forces are the logical ones to spearhead the "back-home" influence on federal legislators, it is a long step from pointing out the logic of such strategy to getting any great number of influential

the A&S problem, would involve getting together a group of five to 10 of the leading local business, professional, labor and industrial leaders who would discuss with their senators and representatives the dangers inherent in the Forand type of legislation. The group, on the basis suggested by Mr. Pritchard, would include persons of influence for whom the legislator has high regard.

This appears to be a strategically sound move, since it was indicated by speakers at the IAAHU meeting that the Forand type of measure owes very little to any personal enthusiasm that members of Congress have for such a



Three who were on the program at the International Assn. of A&H Underwriters annual meeting at French Lick Springs: From left, William B. Cornett, Prudential director of A&S sales, who received the Harold Gordon memorial award as A&S "man of the year" and also participated in a panel discussion; Commissioner Alden C. Palmer of Indiana, who was the principal speaker at the Monday evening dinner, and Oren D. Pritchard, president of NALU, who addressed the Monday afternoon session. Mr. Cornett also represented LIAMA as chairman of its A&S committee.

proposal. Rather, those that are for it believe their constituents want it or will be glad to have it. Obviously, it needs a lot of educational work—and by people who'll be listened to—for anybody in Congress to understand that these proposals are not merely basically unsound but would not be desired by the voters if they really



Oakley Baskin, left, Mutual of Omaha, Buffalo, N. Y., just after being elected president of International Assn. of A&H Underwriters at the annual meeting in French Lick Springs. With him is Ralph Lindop, New York City, consultant to Loyal Protective Life, one of the key speakers at the meeting.

field men in the various localities to do the job that needs to be done.

As stated in last week's account, members of IAAHU heard several speakers encourage them to make their influence felt in local politics, not with the object of running for office but of becoming a leader in building up sentiment among groups of opinion-forming local leaders. The technique of such an operation was spelled out in some detail by President Oren Pritchard of NALU in his talk Monday at the annual meeting of the Million Dollar Round Table at Bal Harbour, Fla. Mr. Pritchard was talking about organizing local groups of people having standing with their respective senators and representatives to assure them of their backing in the fight against inflationary measures, but the same techniques are applicable to educating members of Congress on the dangers of putting the government any further into the A&S business.

Mr. Pritchard's plan, as adapted to



Panelists at the annual meeting of IAAHU who discussed the problem of government encroachment into the A&S field: From left, seated, Robert R. Neal, general manager of Health Insurance Assn., and William B. Cornett, Prudential director of A&S sales, IAAHU's "man of the year"; standing, Robert B. Mitchell, vice-president and executive editor of The National Underwriter Co., and Armand Sommer, vice-president of Continental Casualty.

understood what they'd be getting.

This year's IAAHU meeting was also notable for its more serious level of talks. There was little of the purely entertainment sort of address. There was also a heavy schedule of events. There was opportunity for recreation and relaxation but at times that still permitted a well-packed schedule of serious talks.

More than ever, subjects of advanced selling were in evidence on the program—selling A&S on the basis of taxation and business insurance, for example.

Though the convention operated with a tight budget so as to hold the registration fee as low as feasible, the quality of the program and the interest displayed by those attending indicated that an interesting, valuable program, stressing specifics, can be put on without a lavish financial outlay. It was obvious that the general chairman, Robert W. Osler, vice-president of the Rough Notes Co., and the other committee chairmen had used great resourcefulness and ingenuity in putting together the program and

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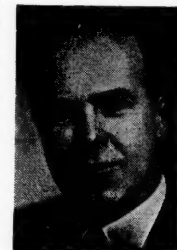
During the annual luncheon honoring 25-year employees of Butler Bros., the national merchandising organization with headquarters at Chicago, Equitable Society presented to A. O. Steffey, president, a plaque commemorating the 25th anniversary of the Butler Bros. group plan underwritten by Equitable. Left to right are W. M. Morrison, director of personnel and public relations of Butler Bros.; A. T. Ackerman, group manager of Equitable Society; Mr. Steffey, and Robert R. Reno Jr., associate manager of Equitable.

More than \$4½ million has been paid to employees and their dependents during the 25 years the plan has been in effect. The most recent improvement has been the addition of comprehensive health benefits.

Hull Named Mutual Of N.Y. President; Dawson Is Chairman

L. W. Douglas To Retire As Officer; Hughes Is Elected Executive Vice-President

NEW YORK—In a series of top-level executive changes announced this week by Mutual of New York, Roger Hull, currently executive vice-president, has been elected president to succeed Louis W. Dawson, who becomes board chairman. Lewis W. Douglas, who has been with Mutual since 1940, first as president and later as chairman, retires from the latter post as an officer, under the provisions of the company's security plan. He will, however, continue as a trustee



Louis W. Dawson

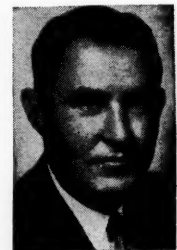


Lewis W. Douglas

and has been elected chairman of the board's executive committee. J. McCall Hughes, vice-president and controller, succeeds to Mr. Hull's position.

All of the changes become effective Sept. 1.

Commenting on the elections, Mr. Dawson said, "These re-alignments



Roger Hull



J. McCall Hughes

of official duties make it possible for me to lighten my responsibilities, which I have wanted to do, and yet keep the same management team in operation."

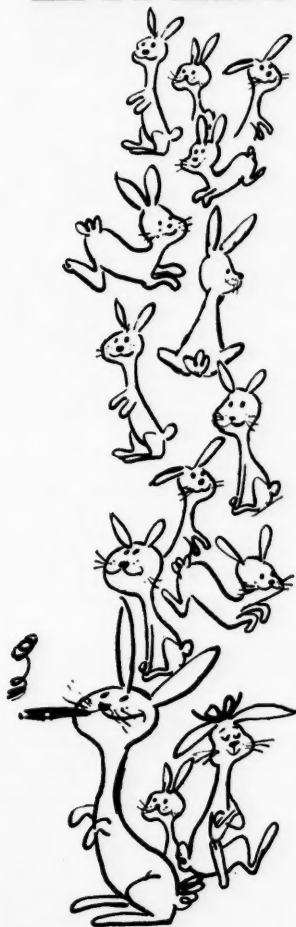
Mr. Hull, a former successful life agent and agency manager, will be Mutual's 10th president in 116 years. His career with the company started in 1928 at Meridian, Miss. He became manager at Nashville in 1935 and three years later transferred to the home office as assistant superintendent of agencies. In 1941 he was elected vice-president and manager of agencies, and during the 1940s engineered the revitalization of the field force. During the same period, he was responsible for Mutual's pioneering lifetime contract for career agents.

In 1950, he was advanced to executive vice-president and later in the year elected a trustee. He is a trustee of American College, a past-director of LIAMA, past-trustee of LUTC, and has served on several committees of

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Illinois A&S Men Hear Experience Of Over 65 Coverage

The experiences of underwriting hospital and surgical coverage for people 65 and older were related to members of Illinois A&S Underwriters Forum at the June meeting in Chicago by a representative of a company experimenting in this coverage.

George F. McDonnell, superintendent of individual plans of Continental Casualty, said his company has been issuing a 65 plus policy just a few months. Consequently, results are inconclusive, but he said his company thinks it is doing all right in this field.

The 65 plus plan, though an individual policy, is similar to group in that it is a guaranteed renewable form covering pre-existing conditions after six months on the books, and it has a common enrollment date. No minimum participation is required, however.

Mr. McDonnell said his company found that people were skeptical of the pre-existing condition feature because many have had unfavorable experience through misunderstanding with other plans. "The biggest single problem is to get people to believe we won't reject them no matter what their past health experience has been," he remarked.

There are other problems, too. The income of people over 65 is "abominably low," he declared. A total of 60% have an income less than \$1,000 and cannot pay premiums with facility. Fifty percent have a chronic ailment of some sort, and 30% require bed care at least once a year. Furthermore, older people require a longer hospital stay. Therefore, he said, it is necessary to enroll some people over 65 who are in the pink of condition.

Personalities At NAIC Boston Meeting Photographed By Harry H. Fuller Of National Bureau



Robert E. Di-neen, vice-president of Northwestern Mutual Life and former New York superintendent, at the NAIC meeting with Harold Wayne, general manager of Inland Marine Insurance Bureau, and Commissioner A. J. Jensen of North Dakota.



Mrs. Lillian Fuller, whose husband, Harry H. Fuller, has been unofficial photographer of the NAIC meetings for a number of years, pictured with Ralph H. Kastner, general counsel of American Life Convention.

"This is not the kind of business that you pay a high commission for," Mr. McDonnell pointed out. He emphasized the importance of keeping costs per applicant low, and he said his company would have found it impossible to write this business if it were not for its IBM 705 to simplify handling.

Describing problems of marketing, Mr. McDonnell said Continental Casualty uses mass media, because difficulty in finding members of the 65 plus group makes direct mail and agent solicitation approaches unfeasible.

Backs Sloane's Stand On Keogh-Simpson Group Move

NEW YORK—Harold S. Schlesinger, general agent here for Columbian National Life, has written the following letter to THE NATIONAL UNDERWRITER commending the statement of Harold N. Sloane, general agent of Continental Assurance at New York, on the writing of Keogh-Simpson business

on a group basis if the law should be enacted permitting a tax deduction for individual retirement plans:

"In reference to the article in this week's NATIONAL UNDERWRITER, I would like to register my protest to those companies who will write this on a group plan. Harold Sloane has been a wonderful protector of ours on minimum deposit on the law and legislative committee and I would not like to see his resignation accepted."

Lincoln National Club To Meet

Members of Lincoln National Life's President Club will attend a sales conference, June 28-July 3, in Quebec. The conference will feature a cruise on the St. Lawrence and Saguenay rivers and a two-day stay at the Manoir Richelieu Hotel on Murray Bay.

Francis G. Thomson, agent at Delhi, N. Y., has been awarded an engraved certificate by Mutual of New York for outstanding sales and programing of benefit plans in 1958.



Connecticut's commissioner, Alfred N. Premo, with one of the perennial visitors at NAIC meetings, Commissioner Georges LaFrance, superintendent of insurance of Quebec.



New Tennessee commissioner, John R. Long Jr., at the NAIC banquet with Mrs. Long.

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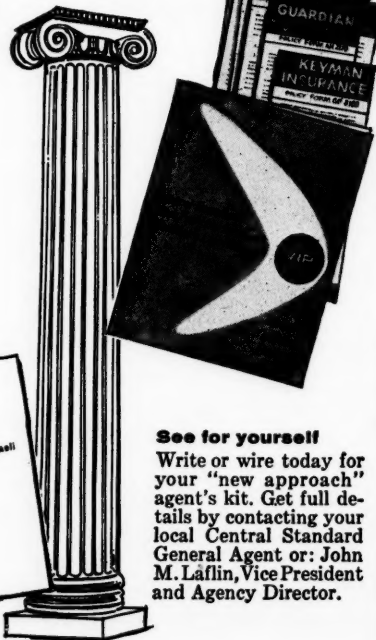
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Variable Annuity Deserves A Chance, Says N. J. Governor

The problem of declining value of fixed retirement benefits is so troublesome and difficult that the opportunity to try to meet it through variable annuities ought not to be denied, even though the subject has been sharply controversial, said Gov. Meyner of New Jersey in a statement accompanying his signing of the three variable annuity bills sought by Prudential.

Gov. Meyner conceded that "whether or not the proposed variable contract will prove to be a useful answer cannot be predicted." However, as far as major objections that have been raised against the variable annuity, Mr. Meyner said he is satisfied that they can be met by careful control and regulation of all phases of the activity, "for which ample power exists."

Should Keep Alert

"The legislature and the life insurance industry should remain alert and ready to make whatever changes in the law that experience may indicate to be needed," the governor added.

Warning that legal authorization for the variable annuity doesn't mean that purchasers can expect to "play the market," Gov. Meyner said that on the contrary, "the very novelty of the proposal demands that it be executed with careful deliberation and sound judgment."

"The statutes contain provisions to prevent short-term buying and cancellation of variable contracts," he pointed out. "Purchasers will need to understand clearly that the arrangement contemplates a long-term program for accumulating funds which will be available for paying benefits after retirement. While the use of common stocks as an investment is contemplated, they will be used only to compose the fund from which benefits will be paid, and contract holders should not regard themselves as the direct owners of a share of those investments."

Bills' Purposes Described

Following is the description of the purposes of the three bills as contained in the press release put out by the governor's office:

Assembly bill 156: Prohibits life companies from issuing "contracts on a variable basis" unless the insurance commissioner is satisfied that activity will not be hazardous to public or policyholders. Forbids sale of variable contracts by agents unless licensed after special examination. Requires contract to describe method of computing benefits, which may increase or decrease, as well as to contain other mandatory restrictions. Forbids use of application and contract forms unless approved, and requires disapproval if standards are not met, including regulation that purchaser must demonstrate balance in his holdings of fixed income benefits and contemplated variable benefits. Requires annual statement to each contract holder of number of units credited, dollar value, and list of all investments. Provides for regulations governing disposition of assets not meeting new standards and regulations.

Assembly bill 157: Provides for establishing separate fund account for variable contracts to prevent mingling with other reserves of life companies. Requires assets to be valued at market, and requires any common stock acquired to be listed on a U. S. or Ca-

AFL-CIO Vehement Against Keogh-Type Tax Relief Measure

WASHINGTON—Organized labor is dead set against the Keogh-Simpson bill, which would give the self-employed something of the same tax break that is open to employees under qualified pension plans.

The testimony of Peter Henle, AFL-CIO assistant director of research, before the Senate finance committee effectively disposed of a report that "big labor" had relented in its opposition to the Keogh-Simpson measure.

"We are here to oppose this bill in the most vigorous terms," he said. "We believe that HR 10 represents special interest legislation providing tax benefits for a relatively few in our population; that it does not correct any existing inequity in our tax laws, but rather helps create new ones; and that it would deprive the U.S. Treasury of much-needed revenue in 1960 and future years."

Cites Five Arguments

Mr. Henle based his opposition on these arguments:

1. According to Department of Health, Education & Welfare figures, only about 40% of the total non-farm wage and salary workers, as of Dec. 31, 1957, were covered by any type of private pension plan, indicating that private pension plans are not so prevalent as has been implied.

2. Employer contributions to these private pension plans totaled \$3.9 billion for 1957, or about 2% of salary and wage disbursements to workers in non-farm private economy. But employee contributions to these pension plans, on which full income taxes were paid, totaled \$680 million.

Ratio: 11 To One

3. U. S. Chamber of Commerce figures, which AFL-CIO contends considerably overstate employer contributions by reason of the number of larger firms in the survey, indicate that the typical employer contribution toward a pension plan is about 5% of payroll. By contrast, HR 10 permits deductions up to 10% to a maximum of \$2,500 a year, "more than 11 times the total set aside by employers for the typical wage and salary worker."

"For an individual in the upper-income brackets, the tax benefits under this proposed legislation would be

nadian exchange or traded "over the counter" with available quotations. Authorizes commissioner to establish reserve liabilities and limits amounts which may be drawn in case of stock companies. Allows company to require purchase of standard annuity along with variable annuity.

Assembly bill 158: Amends existing statute governing life company reserves, R. S. 17:34-24, to exclude variable contract reserves which will be governed by the new statutes.

"These bills establish a basis for the design of contracts to pay life benefits which will reflect an approximation to dollar purchasing power," the press release stated. "Before any such contracts can be offered, new rules and regulations will need to be established, tests and examinations for special licensing of life insurance agents will need to be prepared, given and graded, and the specific forms of applications, contracts and certificates will need to be prepared and reviewed for approval or disapproval. While no estimate can be made, it is obvious that much work remains to be done."

far in excess of any tax advantage accruing to any worker for whom a retirement fund had been established by his employer."

4. The bill would mean a loss in revenue of about \$365 million a year, according to the Treasury.

5. Self-employed individuals already receive many specific tax advantages: Because of taxes not being withheld, "it has been estimated that approximately 30% of all self-employed income is not reported on income tax returns."

Among the witnesses testifying for the bill were Milton Edelstein, Connecticut Mutual, Chicago, legislative chairman of Assn. of Advanced Life Underwriters, and Leonard L. Silverstein of Cooper & Silverstein, counsel for the association but appearing on behalf of the Bureau of Salesmen's National Associations.

Rep. Keogh offered an amendment that would remove the discrimination against non-U.S. insurers for persons wishing to use life insurance or annuities under the provisions of the bill.

Edelstein Offers Amendment

Mr. Edelstein called attention to the plight of the many individuals who are not covered by qualified pension plans but who, because of their employee status, are eligible for such plans and hence would not be able to benefit by the Keogh-Simpson bill as presently drawn.

"The Assn. of Advanced Life Underwriters strongly urges upon the committee that HR 10 be amended to include within its coverage all persons except those who are, in fact, covered by qualified pension plans," he said. "We further submit that, to the extent that private pension coverage does not equal the benefits available under HR 10, the exception should not apply."

C. R. Tyson Elected Executive V-P Of Penn Mutual Life

Charles R. Tyson, a trustee of Penn Mutual Life for the past 10 years, has been elected executive vice-president, effective Sept. 1. Mr. Tyson will continue as a trustee.



Charles R. Tyson

He began his business career with John A. Roebing's Sons Co. and was elected president in 1944 at the age of 30. When the Roebing firm became a wholly owned subsidiary of the Colorado Fuel & Iron Corp. in 1953, he was elected executive vice-president and director of John A. Roebing's Sons Corp. He was elected a director of Colorado Fuel & Iron and last year was named executive vice-president of that firm.

Mr. Tyson is a trustee of Mutual Assurance and of Stock Insurance Company of Green Tree, both of Philadelphia.

His directorships include, among others, Otis Elevator Co.; First Trenton National Bank; First Pennsylvania Banking & Trust Co.; Electric Storage Battery Co., and Roebing Securities Corp.

Robert C. Hartney, secretary of Union Life of Chicago, is marking his 25th year with the company.

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CONTINENTAL ASSUR. PLAN

Employee May Convert Group To Permanent Before Retirement

A group life plan that offers employees the option of putting coverage on a permanent individual basis before retirement is being introduced by Continental Assurance on a nationwide basis.

The plan solves the problem confronting employees at retirement who, in most cases, are precluded from converting their group life insurance into permanent coverage because of prohibitive premiums at advanced age levels.

The plan basically is the usual group renewable term contract with the important provision that employees need not wait until termination of employment or discontinuance of the plan to convert to individual permanent insurance. Each employee has the option of permanent insurance at the inception of the plan or on any anniversary

date thereafter. The permanent insurance may be continued after retirement at the age rate when it was first elected. In lieu of continuation of this insurance after retirement, the accumulated values can be used to supplement other retirement benefits.

Employer Pays Part

"Term optional permanent" can be used with either contributory or non-contributory group term plans. The permanent portion of the insurance is split, with the employer paying the cost of the term insurance and the employee paying the remainder.

HIA's FOLLMANN:

Presents Case For Voluntary A&S Plans At Senate Hearing

Voluntary health insurance is capable of helping to meet the challenge of providing soundly financed programs of protection against medical care costs for the growing number of people over 65, J. F. Follmann Jr., director of information and research of Health Insurance Assn., told the subcommittee on problems of the aged and aging of the Senate committee on labor and public welfare.

Mr. Follmann spoke on the final day of public hearings, which were called to discuss present and future ways of assuring adequate health care for those in their later years. The hearings in Washington are preparatory to similar ones in a number of cities throughout the country after Congress adjourns.

Stressing the importance of cooperative efforts by all groups interested in the welfare of the aged, Mr. Follmann said, "As individuals, labor unions and employers become increasingly cognizant of the importance of health insurance protection in the later years, and since the voluntary mechanism by which this protection might be provided now exists, it is reasonable to expect that the coverage of persons over age 65 in future years will increase more rapidly than has been so in the past."

Available To Those Desiring It

Mr. Follmann detailed the recent growth in health coverage for the population as a whole, relating this to the senior population and adding, "It would appear self-evident that the growth of coverage among persons under age 65 would bear some direct relationship to the number of the aged who will eventually be covered as those now under age 65 move into retirement. This is graphically demonstrated by the fact that the percentage of all aged persons over age 70 having some form of voluntary health insurance in 1956 was exactly the same as the percentage of the entire population at all ages which was covered in 1946, namely 30%.

He also outlined some of the new forms of coverage specifically created for people in their later years.

IBM Salesmen Complete N. Y. Insurance Course

A special one month "cram" course in insurance has been completed by 38 salesmen from IBM's data processing division at White Plains, N.Y. The course was given at the school of Insurance Society of New York.

The salesmen, who serve 130 of the largest insurers—including 60 property and casualty companies and 70 life companies—studied many phases of life, fire and casualty insurance. Included in the curriculum were merchandising, agency company and direct writer premium accounting, claim and policy issue cycles.

The course, jointly developed by Arthur C. Goerlich, president of the society, and Stephen E. Furth, industry marketing manager of IBM, gave the salesmen added "know how" in the application of electronics to insurance. Among the instructors were William Leslie Jr., general manager of National Bureau, and K. O. Smith, manager of New York Fire Insurance Rating Organization.

DEDICATED TO FAMILY SECURITY

GREAT-WEST LIFE'S NEW HEAD OFFICE OFFICIALLY OPENED

The new Head Office building of the Great-West Life Assurance Company was officially opened in Winnipeg, June 8.

The development of the Company in the post-war years made this building a necessity. In the past thirteen years, Great-West's business has quadrupled. Today, it serves over 800,000 policyholders in Canada and the United States. Its Head Office staff, through the enlarged and improved facilities provided by the new building, are now better equipped to meet their present and future responsibilities to the Company's policyholders and the public.

The building is one of the most efficient, functional and up-to-date of its kind. With it, the Company's capacity for service has been greatly strengthened.



Your future is our business to-day!

THE
GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE - WINNIPEG, CANADA

SHOWN ABOVE IS THE BRONZE BAS-RELIEF OF 'THE FAMILY' WHICH ADORNS THE CENTRAL EXTERIOR COLUMN OF THE BUILDING AND SYMBOLIZES THE COMPANY'S DEDICATION TO FAMILY SECURITY.

AFL-CIO's CRUIKSHANK:

Presents Labor's Case In Favor Of Forand Legislation

WASHINGTON—Nelson H. Cruikshank, director of the AFL-CIO social security department, in testimony before the subcommittee on problems of the aged and aging of the Senate committee on labor and public welfare, told committee members that the national union supports the Forand bill and "We regret that those persons who say that voluntary health insurance can do the job are so insensitive to the inadequacy of the alternatives for the majority of the aged."

In his review of "Social Security and Pensions for Older Workers," he said, "Only two out of five aged persons now have voluntary health insurance, and much of that is very limited. It may have a low total lifetime ceiling so it soon evaporates. It may be cancelled by the company in case of chronic illness. It may be limited in amount, covering only a few weeks of hospital care. Good comprehensive insurance is too expensive when paid for currently out of the low incomes available to most aged persons."

Public Aid No Help

"Under a federal program such as proposed in the Forand bill, HR 4700, aged persons would not have to make any payments towards health insurance protection. While they were working a certain amount would be subtracted from their earnings as part of their contribution for this type of protection. But when their earnings ceased, contributions would also cease. As with other improvements, persons now retired would receive the new form of protection as part of their return on earlier contributions."

"Public assistance is not an adequate alternative to federal health benefits such as we favor. The means test excludes most people with most resources. So, often, do other eligibility requirements in regard to property and relative responsibility."

"Under the Forand bill, costs of medical care would be paid as a matter of right just as is done now for subscribers of Blue Cross plans. This is a much preferable approach."

Mr. Cruikshank also said that private pensions are not the answers to the financial problems of the aged, adding "Only one-third of all employees now work in places where they are protected by group pension plans."

Private Plans Limited

"Private pensions, combined with old-age benefits, may yield an elderly couple an income of between \$175 and \$275 a month, but these figures apply to persons who have been fortunate enough to have regular employment and to be protected by union agreements. They also apply primarily to higher paid industries and occupations. Many persons will have to continue to rely almost entirely on social security benefits. The man who loses his job before age 65 typically will lose his private pension too, although our unions are increasingly emphasizing the importance of vesting private pension rights."

"All too often, when a giant corporation closes one plant or installs automation, a substantial group of men and women see pension rights as

well as jobs evaporate.

"The inevitable limitations of private pension plans increase the importance of the role of social insurance in providing real social security for the aged. We do not agree with those who say that OASDI benefits should be kept to very low levels because these can be supplemented by individual efforts. For too many Americans individual effort cannot bring assurance of adequate income after retirement."

Roberts Is Head Of Canadian Life Insurance Institute

D. A. Roberts, Mutual Life of Canada, was elected president of Life Insurance Institute of Canada, at the annual meeting at Winnipeg. He succeeds R. O. A. Hunter, Great-West Life.

Other officers are F. G. Shurly, Imperial Life, and M. S. Crockford, vice-presidents; and Miss Jessie Thomson, Manufacturers Life, secretary-treasurer.

QUAKER CITY MAKES OFFER

Report Kincaid Nears Control Of Ky. Central L.&A.

LOUISVILLE—As of June 20, 45,000 of the 100,000 shares of outstanding stock of Kentucky Central Life & Accident have been placed in escrow with Louisville Trust Co. in response to an offer of Kentucky Finance Co., to purchase a minimum of 51% of the company at \$115 a share.

Late last week, Quaker City Life entered the picture through Stein Bros. & Boyce of Louisville with an offer of \$116.50. Quaker City Life, seeking 51% of the stock, apparently has made its bid too late. Also, it apparently has an older stockholders list than that possessed by Kentucky Finance.

Standing back of the Kentucky Finance offer is Garvice D. Kincaid of Lexington, a banker, insurance man and real estate operator. He is head

of Cardinal Life of Louisville. It is reported that in addition to the 45,000 shares in escrow with Louisville Trust Co. that Mr. Kincaid has an additional 10,000 shares at Lexington. He also is said to have stated that 2,000 shares had been purchased by his friends while company management has 12,000 shares pledged to him, a total of 70% of the stock. The Kincaid offer ends June 30.

It is understood that former Federal Judge Charles I. Dawson of Louisville, long identified as a corporation lawyer, drew up the contract between Kincaid and Kentucky Central L.&A. stockholders, and that 40 cents for every share deposited in escrow will go to Mr. Dawson.

Mr. Dawson, while on the federal bench in the 1930s, refused to become president of Missouri State Life when it was having financial troubles. His son, Richard M. Dawson, is president of Kentucky Home Mutual Life.

Martin G. Dumont, counsel of the Colorado department, has resigned to enter the private practice of law at Denver, specializing in taxation and insurance.

LIFE WITH PROVIDENT

Average Policies \$10,526

Year after year, Provident Life producers have increased the average size ordinary policy per sale. The year 1958 was no exception, when the average policy was \$9,467. This average has increased to \$10,526 during the first three months of 1959! Several factors make this possible—foremost of which is a high caliber field organization selling high quality business. The big increase in 1959 can be attributed, in part, to a unique volume savings feature. The combination of good salesmen and good sales material adds up to progress for everyone concerned.

PROVIDENT LIFE • ACCIDENT • SICKNESS
LIFE AND ACCIDENT HOSPITAL • SURGICAL • MEDICAL

Insurance Company

CHATTANOOGA

Changes In The Field

Connecticut General

Frank J. Bush, assistant actuary in the group department, has been appointed associate actuary, group insurance; Darrel J. Croot, senior actuarial assistant in the group pension department, has been named assistant actuary, data processing; William M. White Jr., senior actuarial assistant in

the group department, becomes assistant actuary, reinsurance; and Hugh S. West, former senior agency assistant of the field services division, is assistant secretary of the agency department, field services division.

Central National Life

Harold E. Stout, director of agen-

cies, has been promoted to vice-president and director of agencies. He joined the company last year after 25 years in sales and sales management with Research Institute of America, Security Mutual Life of Binghamton, Bankers Life of Iowa and Prudential.

GREAT AMERICAN, the group of fire and casualty companies, has named Philip D. Cross superintendent of the A&H department. He has spent his entire career in the A&S field, beginning with Loyalty group in 1938. He

joined Phoenix of London in 1947 as an underwriter and became superintendent of the A&S department in 1951.

All American L.&C.



Dale C. Long

Dale C. Long, vice-president, has resigned his home office post to become regional vice-president for Iowa and other territory which may be assigned to him from time to time. It will be his responsibility to appoint managers and regional managers and to assist them in training and supervising their men and in servicing policyholders. Serving as vice-president since the company's inception, Mr. Long has played an important part in its rapid growth. He has been in the insurance business for his entire business career as agent, general agent, conservation specialist and home office executive. He will have headquarters in Iowa.

Lafayette Life

Gerald E. Robinson has been appointed supervisor of group sales. He has been in the group field for several years with Connecticut General.

State Mutual Life

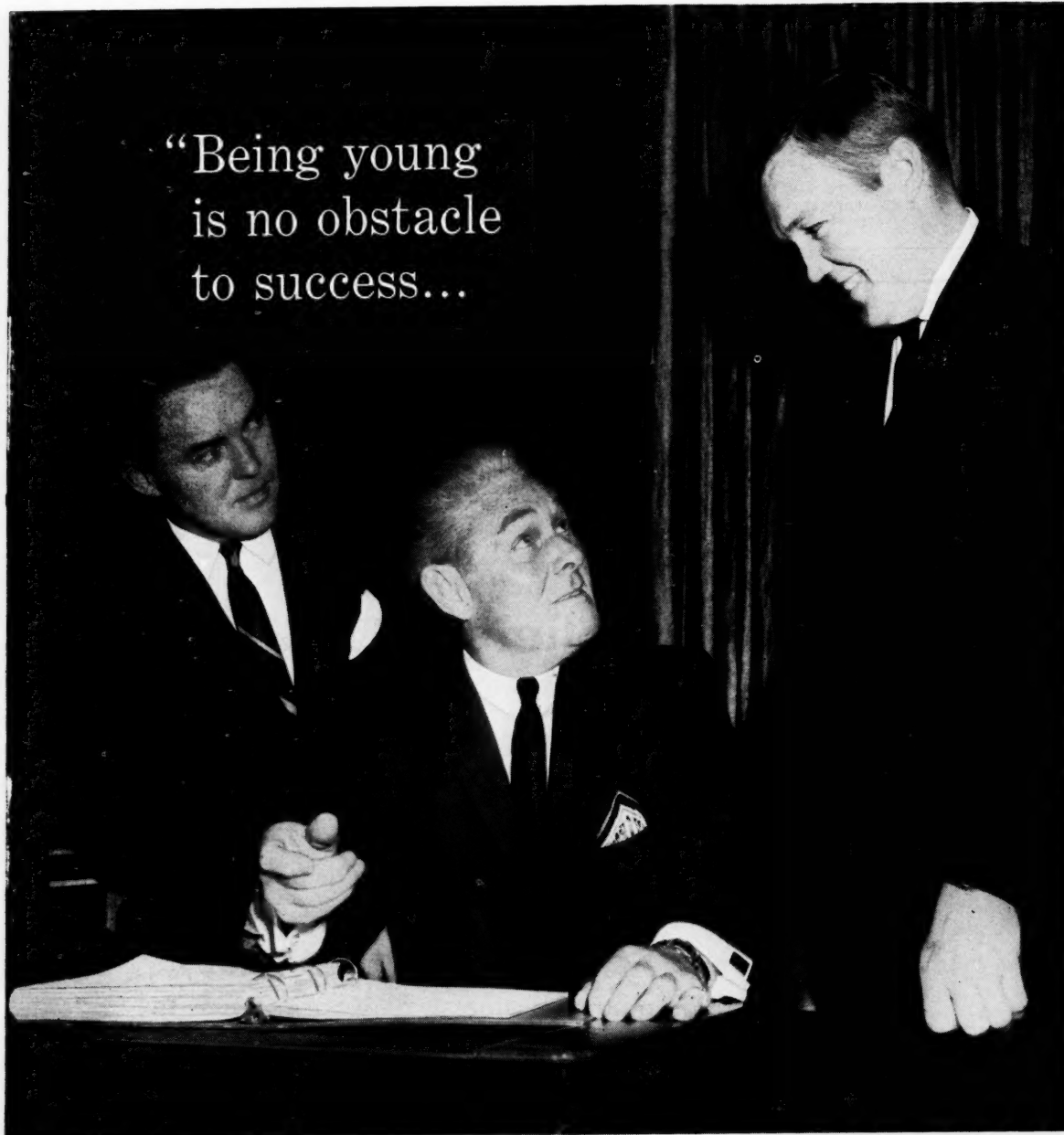
Paul J. Foley, assistant planning director, has been appointed assistant director of public relations. He joined the underwriting department in 1950, became senior underwriter in 1953, and transferred to the office of planning and research the following year.



Paul J. Foley

Nationwide Life

Frank Steger has been appointed group sales manager. He was zone manager in New York and New England, and he is succeeded by Kenneth Bangston, formerly with New York Life in Cincinnati. Robert E. Vander-



... in Life Insurance selling. In most businesses, a son must wait till his father is too old to enjoy the flavor of success before tasting it himself."

"You've certainly helped us develop our production, Dad. But hasn't there been some two-way traffic on that street?"

"You bet there has! Right here in this office, we actually have a scaled-down replica of Berkshire's field-management philosophy. Berkshire believes nobody has a monopoly on experience. Ours can help a hundred other Agents, and theirs can help us. That's the whole point of Berkshire's Continuous Training Program. And you boys prove how effective it is! Both of you won Life Membership in the Million Dollar Round Table with your first three years' production."

"With the pace you set, Dad, we had our work cut out for us."

"Remember, the fact that we represent a Company with a 108-year reputation for sound management and service to policyowners has paved the way for much of our success. And Berkshire's modern training techniques have shown us better production methods. Anyone looking for success while he's young enough to enjoy it will find that today **Berkshire** presents the greatest opportunity for personal growth in the industry."



Life, Accident & Sickness, Pension Plans, Annuities
George D. Covell, C.L.U., Agency Vice President
PITTSFIELD, MASS. • A MUTUAL COMPANY • 1851



**The Unity Mutual
Life Insurance Company
of New York**

Insures

The Whole Family

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. R. DEMING
President

L. J. BAYLEY
Secretary

HOME OFFICE—SYRACUSE, N. Y.

50 Union Square, New York 3, New York

Changes In The Field

Mutual Of New York

On July 1, new agencies will be opened in Chicago, Houston and Orlando, Fla. Manager at Chicago will be Joseph J. Vicha, who has been with Mutual since 1947. He was named assistant manager in 1948 and transferred to the home office six months ago for managerial training. John T.

O'Brien Jr. heads the Houston agency. He joined the company in 1955 at Washington, D. C., became assistant manager in 1957 and was recently named a managerial trainee. Frank H. Roark Jr. becomes manager at Orlando. He has been senior assistant manager at New Orleans and, for the past six months, a managerial trainee.

American Casualty

John F. Mulvey has been named special representative for group life and A&S lines in central Pennsylvania of American Casualty and its life affiliate Valley Forge Life. He has been service supervisor for group insurance of Equitable Society at Buffalo.

State Mutual Life

Leslie R. Willette, former group supervisor at Tampa, Fla., has been appointed group manager there to suc-

ceed Robert A. Breidenbach who has been named superintendent of group sales at the home office. Mr. Willette entered the group business with Prudential in 1954, and joined State Mutual last April.

Colonial Life

Richard J. Heller has been appointed resident superintendent of agencies for northern New Jersey with headquarters at East Orange; Charles R. Kimber Jr., becomes assistant resident superintendent there; and Charles J. Meldane is resident superintendent of agencies for northern Ohio. Mr. Heller entered the life business with Connecticut General at Newark and later was named supervisor. He joined Colonial



Richard J. Heller



Charles R. Kimber Jr.



Charles J. Meldane

as brokerage supervisor at the East Orange ordinary branch in 1958. Mr. Kimber's career in the life field started with New York Life at New York, and in 1957, he joined Fidelity Mutual Life. He was appointed supervisor at Colonial's East Orange ordinary branch in February. Mr. Meldane, whose headquarters are at Cleveland, has been manager of the regional office there since December. He entered the life business in 1951 with Mutual Benefit Life and became district manager at Erie, Pa.

Franklin Life

John A. Birch has been appointed general agent at Boston. In the business six years, he has been with New England Life at Boston since 1955.

Charles L. Berry becomes general agent at Livingston, Mont. Before joining Franklin Life, he was manager of the Elks Club there, and prior to that was with Bankers Life of Iowa.

John Hancock

James H. Schmitt has been appointed vice-president in charge of operations of the newly opened general agency at Clayton, Mo. He entered the life business in 1951.

In the district agency department, B. Weston Hardy Jr., regional supervisor of field training for the south-

INSURANCE FILING SYSTEMS OUR SPECIALTY SINCE 1919

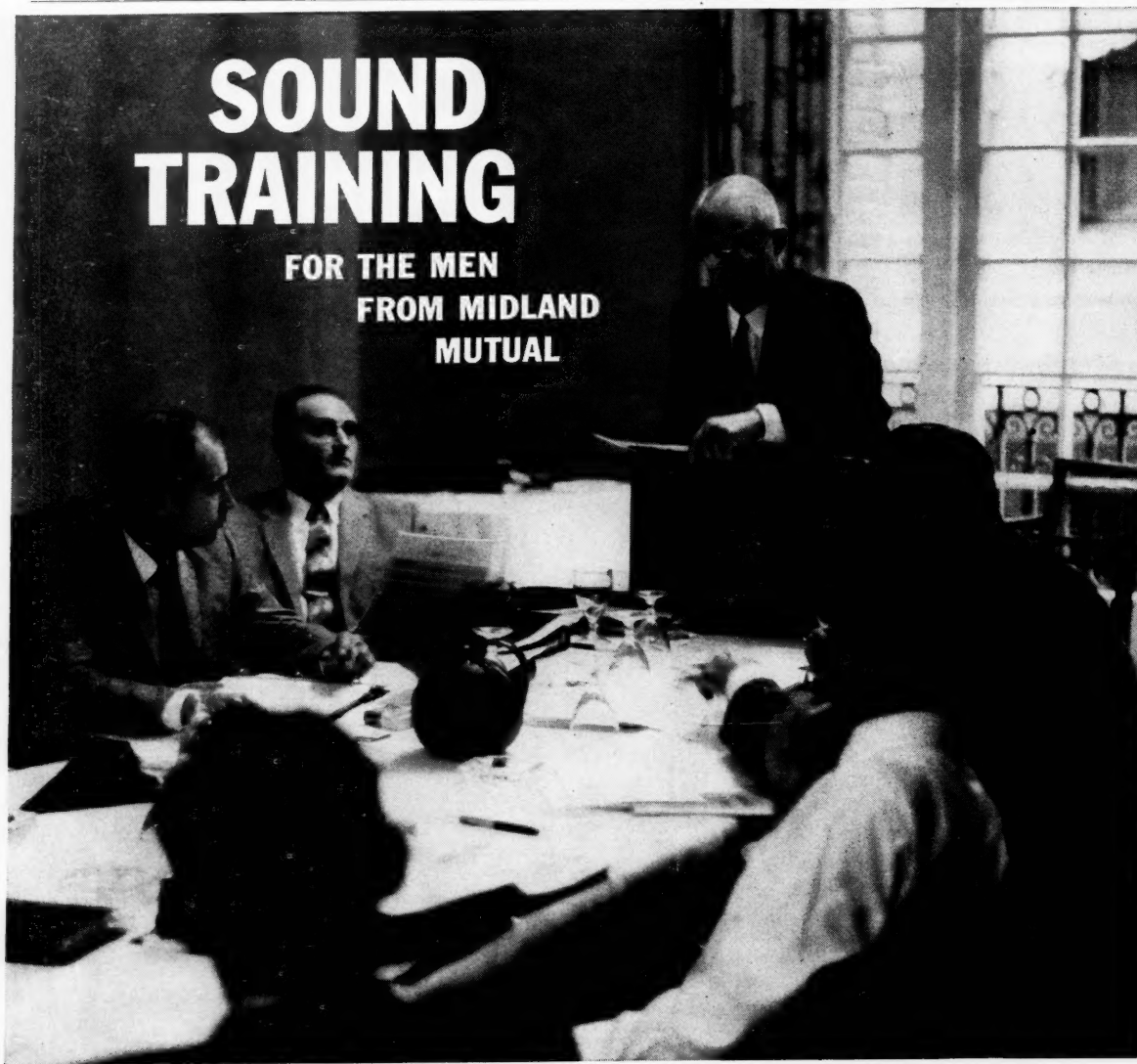
We were the originators of Two-Way and Three-Way Tang Folders, made especially for Application permanent record files. We also have Transparent Policy Jackets. Samples of folders and jackets with price list sent on request.

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SOUND TRAINING

FOR THE MEN
FROM MIDLAND
MUTUAL



Preparing people for successful careers . . . in sales and field management

Whether a "rookie," experienced producer, supervisor or general agent—the Man from Midland Mutual receives modern, practical training help. The Company's many-sided program is keyed to developing the know-how, skills and confidence which are so vital to successful performance in today's competitive market.

Midland Mutual supports the training efforts of the general agent with a complete basic course which supplies a smooth "track to run on" and materials designed specifically for effective schooling of the new man. Home Office Seminars are another highly important

training aid—the agents above, for example, are taking part in a session on Midland's exclusive *Full Circle of Security* programming system.

For field management, too, the Company offers solid development aid through "train the trainer" activities and LIAMA courses.

Find out more about how Midland Mutual trains people for successful careers. Write Charles E. Sherer, C. L. U., Vice President and Director of Agencies—be sure to ask about the FOUNDATION BUILDER program for new general agents.

THE MIDLAND MUTUAL
LIFE INSURANCE COMPANY

256 East Broad St., Columbus 16, Ohio



Serving Personal Security Needs Since 1906

Midland Mutual has immediate agency openings in Florida, Illinois, Indiana, Iowa, Kentucky, Maryland, Tennessee and Virginia. Opportunities also available in other states. Write Company for full information.

western territory, is named district manager at Auburn, N.Y., to succeed George M. Frank, who has asked to be relieved of management duties because of ill health. Mr. Hardy has been with Hancock since 1932 and Mr. Frank for 35 years.

James Herman, regional-supervisor-administration for eastern New York, New Jersey and Connecticut, transfers to the south central and Texas region to succeed Mr. Hardy. Dorian J. Lemieux Jr., assistant district manager at Manchester, N.H., becomes district manager at Charlotte, N.C., to succeed Harold D. Adams, who has been named district supervisor at Stamford.

Timothy J. Sullivan, former assistant general agent of the Bean & Jones agency at Chicago, has been appointed manager of the life, A&S department of the Moore, Case, Lyman & Hubbard agency there.

Great-West Life

Appointed managers are R. L. Kennedy at St. Louis, D. E. Clark at Columbus, O., A. R. Jost at Dayton, and H. G. Pullin at Fargo, N.D. Mr. Ken-



R. L. Kennedy



D. E. Clark

neddy joined the company in 1953 and has been manager at Fargo. Mr. Clark has been with Great-West Life since 1952 and became manager at Dayton in 1957. Mr. Jost joined the company



A. R. Jost



H. G. Pullin

in 1957 as supervisor at Newark, and Mr. Pullin, with the company since 1948, has been supervisor at Winnipeg since 1956.

District managers appointed are J. M. McKittrick at Red Deer, Alta., Reginald Stott at Lethbridge, Alta., and D. V. Erickson at Minot, N. D. Mr. McKittrick was an agent at Edmonton, Mr. Stott an agent at Lethbridge, and Mr. Erickson an agent at Minot.

W. A. Maycher has been appointed supervisor at Winnipeg. He has been an agent there since 1954.

J. T. Macon has been named supervisor of the Bogart agency at Detroit. He has been with the company since 1955.

Occidental Of Raleigh

Leslie F. Young has been named district manager at Camden, S. C.

Life Of Virginia

Ray E. Phillips has been appointed manager at Chicago. He has been manager of Home Life of New York there since 1952, and before that was

assistant to the vice-president and director of agencies.

Northwestern Mutual

Taylor French has been appointed general agent at Peoria, succeeding Clifford R. Garrett, who is retiring



Taylor French



C. R. Garrett

after 21 years as general agent. Mr. French joined the company in 1951 and was an agent for Mr. Garrett until being transferred to the home office in 1954. He became assistant superintendent of agencies in 1957. Mr. Garrett joined Northwestern Mutual in 1919 and was general agent at Sioux City before going to Peoria.

North American Accident

Carol R. Gast has been named regional sales director, with headquarters in Omaha. Before joining the company he was with American Reserve and Northwestern National. Previous to that, for 18 years he had been a football and baseball coach in Omaha.



Carol R. Gast

Federal L.&C.

Edward L. McCrory has been appointed director of advertising. He previously held a similar position with Country Life.

Charles M. Holman becomes director of credit insurance. He was assistant to the executive vice-president of Old Republic Life.

Northwestern National

Gene B. Hoover has been appointed manager at Sioux City, succeeding

Gay Paulsrud, general agent there since 1948, who will continue in personal production. Mr. Hoover has been supervisor at Chicago.

Bankers Of Iowa

Stanley H. Kakuno has been appointed manager of a new agency at Honolulu. In the business since 1956, he has been with American Life and Commercial Life of Phoenix as an agency supervisor.

Thomas T. Koki and James M. Miyake have been appointed assistant managers of the Kakuno agency. Mr. Koki has been agency supervisor of Commercial Life since 1956. Mr. Miyake entered insurance in 1949 with Washington National and became assistant general agent at Salt Lake City. In 1955 he joined Equitable Life & Casualty, becoming general agent at Honolulu.



Stanley H. Kakuno

New Business Insurance Tools

The Lincoln National man is solidly in the business insurance market, thanks to his new up-to-date Business Security Forecast.

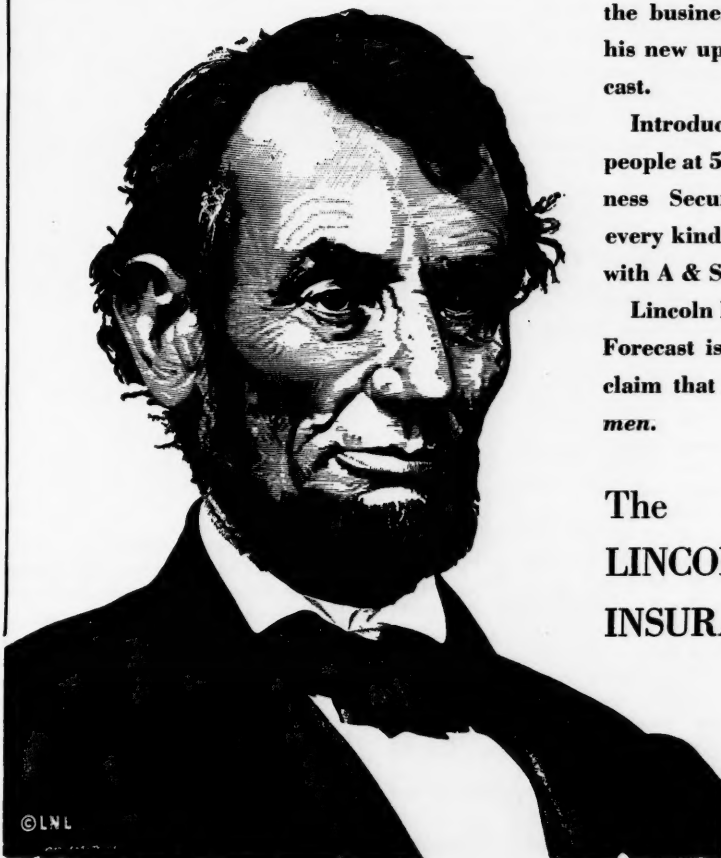
Introduced to LNL's field management people at 5-day regional seminars, the Business Security Forecast material covers every kind of business insurance and deals with A & S as well as Life situations.

Lincoln National's new Business Security Forecast is another reason for our proud claim that LNL is geared to help its field men.

The
LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Fort Wayne, Indiana

Its Name Indicates Its Character



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Editorial Comment

Insurance Misinformation Service

Generally we're pretty charitable about pointing the finger at laughable errors in the daily papers, because we never know when the laugh may be on us. But a recent Walter Winchell column had a paragraph on life insurance that compressed so many errors into so few lines of type that we can't resist passing it on to our readers. The paragraph read:

"The big federal tax on leading life insurance firms has startled them into realization they've done little or nothing to further medical research. They were hit with a tax of 200 million dollars. Next time it'll be 500 million dollars. . . . But they gave \$25,000 to plant those flowers along Park Avenue . . . all deductible, of course."

Look at the string of errors and wrong implications: The new federal income tax of course hits all companies, not just the "leading" ones. It did not "startle" them—they saw it coming too far ahead for that. And even if it had "startled" the living daylight out of them, a "realization they've done little or nothing to further medical research" would have

been about the last thing they could have been startled into, because they have contributed very substantially to the Life Insurance Medical Research Fund, putting in \$1,199,683 last year and a total of \$11,114,263 from the time they got the fund going, late in 1945, up to the end of 1958.

As to the impact of the tax, instead of being hit with a tax of \$200 million this time and \$500 million "next time," they are being hit with a tax of \$501 million this time, and it'll be higher next time.

Finally, "they" did not give \$25,000, or any other amount, for flowers along New York's Park Avenue—or any other street. It was a single company, Equitable Society, that paid the \$25,000 for the flowers, it was not Park Avenue but Fifth Avenue, and as for "all" being tax deductible, only a minor part, if any, can be deducted under the federal income tax law.

In the presence of such a tightly packed concentration of inaccuracies, so far beyond anything we've ever achieved, we can only bow in respectful admiration.—R.B.M.

maps from which any reader in the paper's circulation area could easily determine the name of his member of the House of Representatives. Readers were also urged to write their senators as well.

This map was obviously the key to the success of the project—and it was a decided success in terms of the thousands of messages sent to members of Congress. Most people, unfortunately, do not know the names of the men who represent them in the House and a lot of them are a little vague on just who their senators are. Without this realistic understanding of this human failing the campaign would have been far less effective.

To try to evaluate the role of the Institute of Life Insurance and its anti-inflation advertising campaigns in bringing about this gratifying response among these influential newspapers would be extremely difficult and doubtless unwise. There is every reason to believe it was highly important, but to attempt to give the institute its full due might seem to belittle the role of the papers' publishers. But without belittling anybody else's role, it can safely be said that the institute did a tremendously important job at the most effective time it could have picked.

With such inspiring examples, we hope that local life underwriter associations in cities where newspapers have not played up the need for writing congressmen about the inflation menace will succeed in persuading their local editors to get on the inflation bandwagon.—R.B.M.

Anti-Inflation Fight Paying Off

Life insurance men have good reason for a feeling of encouragement and pride at the way some of the leading daily newspapers are jumping into the war against inflation: encouragement that such powerful allies are in there punching, and pride at the part that the life insurance business, particularly through the institutional advertising campaigns of the Institute of Life Insurance, has played in stirring up concern about inflation before things got completely out of hand.

Of the newspapers that have gone into the anti-inflation fight in a big way, the New York World-Telegram & Sun, the Chicago Tribune, the Philadelphia Inquirer and the New Orleans Times-Picayune were among the first.

The World-Telegram, for example, ran a daily series of page-1 articles on the general theme of "Inflation Is People," explaining what inflation is and does and "the dangerous inroads inflation makes on our national economic structure as well as on the value of your dollar."

Following this eight-part series a front-page cartoon showed Congress pouring money out of a bag, to be gobbled up by hogs labeled "Pressure Groups." The caption was, "It's Your Money!" Below the cartoon the paper gave its program "for positive public action."

"The blueprint is simple," the article stated. "YOU have the power to curb inflation, the demon which devalues everybody's paycheck, savings, pensions, insurance and social security. This plan for individual action is presented on pages 12 and 13 today. Also, an editorial emphasizes that in the past generation, by spending more than

it takes in, by deficit financing, by creating artificial credit, by running the printing presses, Congress has doubled the number of dollar bills in circulation—thereby cutting each dollar's buying power in half."

Page 12 contained a full-page exhortation to the reader to get in touch with his representatives in Congress to urge them to oppose all inflationary measures.

"It doesn't matter what kind of inflation the economists call it," said the World-Telegram. "Excessive government spending produces the deficit which causes inflation which boosts prices and reduces the value of the dollar."

"Every member of Congress knows that government spending must be curtailed. But Congress usually hears only from people with private and selfish interests. Your congressman's interests are best served by serving yours. He will listen to you if you make your demands known forcefully."

"It's up to YOU. Write today! Let your senators and your representatives know that you hold them responsible for seeing that the nation lives within its income—just as you must."

"To select your representative's name, check the maps on the opposite page. A personal letter expressing your individual ideas would be most effective. If you do not have time for that, fill in the handy postcard-size form below and mail as shown. Urge your friends, relatives and co-workers to write. Your concern for your own and your family's economic future warrants this action."

"The power to check inflation is in your hands!"

The entire facing page contained

The NATIONAL UNDERWRITER



The National
Weekly Newspaper of
Life Insurance

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17 John St., New York 38, N. Y.
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Executive Editor: Robert B. Mitchell.
Assistant Editor: William Macfarlane.

CHICAGO EDITORIAL OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.
Tel. WAbash 2-2704 TWX CG 654

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Assistant Editors: Richard G. Ebel,
William H. Faltyssek and R. R. Cuscaden.
Editorial Assistants: Marjorie Freed
(production) and Barbara Swisher.

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Tel. WAbash 2-2704 TWX CG 654
Advertising Manager: Raymond J. O'Brien.

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Telephone PARKway 1-2140.

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Robert B. Mitchell, Vice-President.
George C. Roeding, Vice-President.
James C. O'Connor, Secretary.
Joseph T. Maloney, Treasurer.

SALES OFFICES

ATLANTA 3, GA.—333 Candler Bldg., Tel. Murray 8-7177. Fred Baker, Southeastern Manager.

BOSTON 10, MASS.—80 Federal St., Rm. 342, Tel. Liberty 2-9229. Roy H. Lang, Southern New England Manager and Dana L. Davis, Northern New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. WAbash 2-2704. A. J. Wheeler, Chicago Manager. R. J. Wieghaus and William D. O'Connell, Resident Managers.

CINCINNATI 2, OHIO—420 E. Fourth St., Tel. Parkway 1-2140. Chas. F. Woods, Sales Director. George C. Roeding, Associate Manager. Roy Rosenquist, Statistician.

CLEVELAND 14, OHIO—1387 E. 6th St., Lincoln Bldg., Rm. 208, CH 1-3396. Paul Blesl, Resident Manager.

DALLAS 1, TEXAS—328 Interurban Bldg., Tel. Riverside 7-1127. Alfred E. Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth Bldg., Tel. Amherst 6-2725. J. Robert Ebelhardt, Rocky Mountain Manager.

DES MOINES 9, IOWA—327 Insurance Exchange Bldg., Tel. Atlantic 2-5966. David Chapman, Resident Manager.

DETROIT 26, MICH.—613 Lafayette Bldg., Tel. Woodward 5-2305. William J. Gessing, Manager for Indiana and Michigan.

INDIANAPOLIS 20, IND.—5634 N. Rural St., Tel. Clifford 3-2276. William J. Gessing, Manager for Indiana and Michigan.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-5417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgenuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. Robert L. McMullen, Pacific Coast Manager.

CHANGE OF ADDRESS

Be sure to enclose mailing wrapper and form 3579 with new address. Allow three weeks for completion of the change. Send to subscription office, 420 E. Fourth St., Cincinnati 2, Ohio.

Personals

Carl A. Peterson, retired supervisor of agencies of Northwestern National Life, has been presented with the 1959 merit award by the Iowa State Club of Chicago in recognition of his "outstanding contribution to the humanities." The presentation was made during graduation ceremonies at Ames. Mr. Peterson is a director of the Iowa State College Foundation.

Betty R. Lawson, personnel director of Colonial Life, has been elected president of the northern New Jersey chapter of the International Assn. of Personnel Women.

Ralph W. Hoyer, retired general agent of John Hancock at Columbus, O., was cited by Columbus chamber of commerce for outstanding service to the community. Mr. Hoyer, who was succeeded as general agent by his son, William B. Hoyer, is still active in life insurance as well as other enterprises.

Joseph L. Beesley, senior vice-president of Equitable Society, has been elected an alumni trustee of De Pauw University.

Dorothy K. Whyte, director of Metropolitan Life's editorial bureau of the health and welfare division, has received the 1959 award of merit in mental health from the Public Health Assn. of New York City. The award was given for her work in producing mental health materials, including booklets, educational exhibits and the color film, "Mr. Finley's Feelings."

JOHN
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John W.

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Deaths

JOHN W. CARPENTER, 77, chairman of Southland Life, died of a heart attack at Dallas.



John W. Carpenter

He organized in 1930 Texas Security Life, which after a series of mergers and acquisitions became the present Southland Life. The company today has more than \$1.3 billion of insurance in force and is the fifteenth largest stock company in the U.S. Mr. Carpenter has been chairman continuously since its inception and in 1952 became president also. During this time, the company began construction of Southland Center to house its home office, the tallest building west of the Mississippi.

Much of Mr. Carpenter's business life was spent in electric utilities. The long list of companies of which he has served in top executive capacities include: Corsicana Gas & Electric Co.; Dallas Power & Light; Texas Power & Light, of which he was chairman until 1953; Dallas Railway & Terminal Co.; Texas Electric Service Co.; Texas Public Utilities Corp.; New Mexico Electric Refrigeration & Ice Co.; and Texas Utilities Co. He was active in establishing the steel industry in east Texas and was a founder and first president of Lone Star Steel Co.

Throughout his business life he had been continuously engaged in farming and ranching. At one time he operated one of the largest mule breeding establishments in the country and prior to World War II one of the largest dairy farms in north Texas.

DAVID D. WEST, 47, manager of Prudential at Harrisburg and Lancaster, died of a heart attack in his automobile on a highway near Harrisburg.

Pa. Gives Rate Boosts To Philadelphia And Pittsburgh Blue Cross

Commissioner Smith of Pennsylvania has approved rate increases for Blue Cross contracts in the Philadelphia and Pittsburgh areas, effective Aug. 1. In separate rulings, the commissioner gave Philadelphia Associated Hospital Service and Hospital Service Association of Western Pennsylvania the entire amount of the rate boosts they asked for.

Philadelphia received an average 23% raise, which is expected to provide some \$9 million in new revenue. Pittsburgh's additional revenue is estimated at about \$12 million a year, from rates increased 33.3% for the 21-30 day agreement and 29.8% for the standard agreement.

At the same time, the commissioner approved a deductible plan for Pittsburgh and a projected merit rating system for Philadelphia to be put into effect Aug. 1, 1960.

In approving the rates, Commissioner Smith said he had the "very simple choice of either supplying Blue Cross temporarily with the wherewithal to stay in being, or allow it to go out of existence."

Rate increases for Harrisburg and Wilkes-Barre-Scranton Blue Crosses are pending decisions from the commissioner.

Stocks

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. La Salle St., Chicago, June 23, 1959

	Bid	Asked
Aetna Life	215	220
Beneficial Standard	16	17
Business Men's Assurance	38½	40
Cal.-Western States	103	107
Commonwealth Life	24	25
Connecticut General	318	323
Continental Assurance	152	156
Franklin Life	78	80
Great Southern Life	84	88
Gulf Life	22½	23½
Jefferson Standard	87	89
Kansas City Life	1475	1500
Liberty National Life	44	45½
Life & Casualty	22½	23½
Life of Virginia	55	56½
Lincoln National Life	200	205
National L. & A.	109	112
Northern American, Ill.	16	17
Nw. National Life	95	100
Ohio State Life	270	300
Old Line Life	65	Bid
Republic National Life	68½	70
Southland Life	95	100
Southwestern Life	141	146
Travelers	80	81
United, Ill.	36	37
U. S. Life	41	42½
Washington National	58	63
Wisconsin National Life	48	50

New York Insurers To Get Temporary OK Of A&S Policy Forms

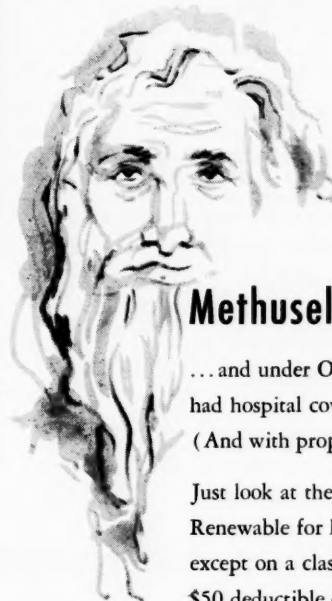
Superintendent Thatcher of the New York department has notified A&S companies in the state that a "substantial number" of them have not as yet filed individual A&S policy forms to comply with chapters 943, 945 and 946 of the New York law, effective as amendments July 1. Because of the delay in processing the large volume of policy forms which the department expects will be filed on or before July 1, it has decided to grant temporary approval for the use of policy forms on or before that date which, "solely for the purpose of complying with the above mentioned amendments to the insurance law, modify or replace previously approved forms."

Temporary approval extends only until Dec. 31, and applies only to contracts taking effect no later than Dec. 31, or, after 30 days notice to the company, any earlier date on which the department disapproves temporarily approved policy forms. In order for policy forms to qualify, insurers must furnish the department a certified list of the policies being temporarily approved.

The list is to be made on a form provided by the department for the purpose. Upon receipt of the certified list and acceptance by the insurer of conditions set forth on the form, the department will notify the company in writing of the policy or policies receiving temporary approval.

In the event that temporary approval is given and the department later finds a policy to be in violation of the law, the insurer will, under the conditions agreed to in the certification form, substitute an acceptable policy form, "furnish the insured with an acceptable endorsement, make changes in rates, or take such other action as may be acceptable to the department, without prejudice to any right of the company to judicial review of department action provided by section 154 (1) of the insurance law."

Prudential's Weintraub agency at Pittsburgh has moved to its own newly constructed building at 3005 Banksville Road.



Methuselah lived 969 years...

...and under Occidental's new GH-2 plan he could have had hospital coverage for every minute of it.

(And with proper coverage, he might still be around.)

Just look at the protection he would have had:

Renewable for life at his option... No premium change except on a class basis... Lower cost, thanks to the \$50 deductible clause... As much as \$20 per day hospital protection... And many other benefits.

But the most important benefit would have been

Peace of Mind—knowing that he had a hospital plan guaranteed renewable. (Even after he reached 65 he could have renewed it 904 years!)

Your clients may not live as long as Methuselah but they should know about our GH-2 plan—just in case.

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SELL
MORE

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Field Report	Category	Sales Reported
5A	Sole Proprietorship	\$233,000
8A	Partnership	115,000
10A	Corporation	25,000
13A	Key Man & Other Uses	166,500
21A	Estate Protection	322,500
TOTAL		\$862,000

If you, too, are interested in learning how to make sales like these, write us today for descriptive literature about our TAX AND BUSINESS INSURANCE COURSE

RESEARCH & REVIEW SERVICE of America, Inc.



HILBERT RUST, C. L. U. President
INDIANAPOLIS, INDIANA

Formation Of MDRT Foundation Is Announced At Florida Meeting

(CONTINUED FROM PAGE 1)

"5. The furtherance of any and all educational programs and media to enable the American people to enjoy more effective use of dollars set aside for deferred spending, estate creation or indemnity purposes."

"We wish for the foundation a productive career," Mr. Fitzgerald continued. "It will perform and prosper as its support broadens, but as an initial donation, I have here a Northwestern

Mutual check given to the foundation to honor the chairman, Adon Smith, a career agent of 33 years' service in the Northwestern. There is in this act of presentation a great personal gratification, for my friendship with Adon is of longer duration than my 26 years with the company."

Discussing trends in the business, Mr. Fitzgerald said there is definitely a trend toward lower cost of life insur-

ance and it has been going on for some years. Investment earnings give promise of continued improvement, and although the impact of the new federal income tax law is an adverse factor, it should only defer the rate of improvement, rather than destroy the trend. Also, it will enable life insurance to meet other pension methods on better tax grounds.

In the area of operating costs, said

Mr. Fitzgerald, the trend is a battle between improved mechanization and simplification on the one side and rising space, personnel and distribution costs on the other. Per-policy costs are up, per-\$1,000 costs, because of larger units of sale, are fairly level, and so are costs per \$100 of premium. He called the situation serious but not ominous.

Tracing the history of the lower cost trend, Mr. Fitzgerald said an age-35 male policyholder in Northwestern Mutual would have a total 20-year dividend projection today almost identical with that of a buyer of the same age 25 years ago. However, on a \$10,000 policy, because of lower gross premiums, his net payments would be almost \$400 lower and his guaranteed cash values more than \$500 higher, so that the 1959 \$10,000 buyer stands to enjoy an advantage of almost \$1,000 over his 1934 counterpart.

Some Soul-Searching To Do

Mr. Fitzgerald urged his listeners to talk more about how to stop inflation and get people to change what now is purely an attitude to anti-inflation action. But he said that "we in life insurance have a little soul-searching of our own to do."

"I don't believe," he said, "that the companies fully discharge their responsibility by a subscription to the anti-inflationary campaign of the Institute of Life Insurance and a few words of warning in their annual statements, if at the same time their field men are encouraged to use and foster inflationary psychology to make sales. Some few, we are told, do not stop at suggesting that real or preferably pseudo-term is the only purchase, but systematically go about impairing the values of existing life insurance wherever they find them."

Coordination Is Needed

"Somewhere we in the home offices are going to have to find a balance between facilitating the sale for the underwriter and our responsibility to present and future policyholders in protecting the value of the reserves they are accumulating. In the field and home office, we have a moral responsibility to the public at large to keep a steady and growing flow of capital channeled into the economy and somehow we are going to have to coordinate our institutional economic responsibility and our sales emphasis, if our role is to be fully constructive, if we are to do our real job in fighting inflation."

That job, the speaker said, is to continue to generate a high volume of dollar savings. If the "buy term and invest the difference" idea were carried to its ultimate, where would the money come from to build plants? he asked. Pension plans are not a complete answer. Common stocks can't finance schools, roads, universities, churches and homes.

Questions Growth Potential

"Are present equities, the price of which has discounted much future inflation, going to have growth potential in the absence of leverage resulting from a corporate capital account well balanced in equity and debt?" he asked. "There is also the suggestion that if everybody buys stocks as a hedge, we have the situation of a theater in which everyone stands up to see over the heads of the people in front."

Speaking candidly on group insurance, Mr. Fitzgerald pointed out that group life premiums represent untaxed income to the insured but at the lower income levels the additional in-

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come thus obtained by the certificate-holder as compared with other taxpayers is not material. But when the minimal death benefit is exceeded, the salaried employee with large amounts of group has "a definite economic edge over those who aren't eligible for group life and its shared costs."

Calls Subsidy Unjustifiable

"It would be hard," he said, "for fair-minded men to explain why some of our citizens should be subsidized through this medium. A system that permits a well-paid executive to be insured as a member of a group for two or three times his annual gross income before taxes is hard to defend. It is hard to detect real elements of public interest in such a situation—or to muster arguments that it is either fair or right."

"The matter of writing substantial amounts of personal insurance on a 'group' basis is one that may be solved externally by action on the federal income tax front, by state supervision on the grounds of discrimination and actuarial soundness; or our industry can face up to its responsibilities through a solution that will be fair to all."

Urging MDRT members to take the lead in their home communities in encouraging congressional resistance to inflation, NALU President Pritchard said:

"When you return to your respective communities, invite your local congressman to meet with a small group, five to 10, of the leading business, professional, labor and industrial leaders, and let him explain to you what his plans are to stop this headlong drive of America toward her own bankruptcy. This group should in-

clude a business man for whom the congressman has high regard, his own clergyman, if possible, a life insurance man for whom he has high regard—and I hope you are the man—his attorney and his accountant, a leading housewife in the community and possibly a member of the League of Women Voters.

"With this group, let him have a frank and open discussion of the forces affecting the future security of our nation and offer him your combined support to the end that this trend may be reversed. If enough of us make this combined effort nationwide, there can be no question of the ultimate result and we will save this nation from going bankrupt like a few of our states have apparently done, and we would give to the next generations of her citizens, our children and grandchildren, the kind of America we inherited, were taught to love, and one which earned our respect."

Reduction In Paper-Work

Encouraging progress toward reducing the amount of paper-work required in dealing with applications for MDRT membership was reported by Chairman Smith in his talk at the breakfast session. Last fall he appointed a qualification procedure committee, headed by Lester A. Rosen, Union Central Life, Memphis, a member of the MDRT executive committee. The committee sent questionnaires to the home offices of more than 32 companies having the largest membership in the Round Table. Committee members divided up the job of summarizing the resulting suggestions.

These summaries were boiled down to workable ideas, some of which will require changes in the by-laws if adopted. Others are matters of procedure and keeping track of volume credits and will probably be available this fall.

"I know you will be receptive to new methods that will reduce the paper-work in your office and ours," said Mr. Smith. "I am sure that you will see, from time to time this year and in the years to come, that we will be indebted to Lester and his committee for the work they started this year."

Membership Survey Helpful

Mentioning the membership survey made to determine members' preferences in all areas of MDRT activity, Mr. Smith said the results were most helpful to the executive committee, not only in planning this year's meeting but in investigating possible changes and improvements in many of the Round Tables' rules, procedures and aims.

Referring to this year's decline in membership from the 1958 peak, Mr. Smith said:

"The change in term insurance rules for credits, we believe, makes the Round Table more indicative of success and will help maintain its prestige. This change plus the slight recession at the beginning of last year reduced our first timers from a high of 804 to this year's healthy total of 391. Of last year's 804 first timers, only 288 repeated. Will all of the first timers in the audience please stand—because when you made this year's table you really made the grade!"

Mr. Smith said the top member in number of lives sold 830 for \$2,544,000. The chairman said others might have had more lives, since applicants are not required to report more than enough to qualify. One man qualified with \$1,000,068 and all of his business was included, "because we

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 - (2) return guaranteed; doesn't fluctuate with the economy.
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- Q:** Why Manufacturers Life?
- A:** Manufacturers Life, a recognized leader in the annuity field, offers a wide variety of plans. Our low deposit schedule means high returns for your clients.

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checked on it." Another member qualified with 131 lives for \$9,693,000 in one company.

Mr. Smith said that on the assumption that life members who did not submit production records averaged \$750,000 each, the members of the 1959 Round Table placed in force something more than \$3 billion of coverage last year.

Though asked to stand and take a bow along with other first time qualifiers, one of these first timers was singled out by the MDRT chairman for a special individual introduction.

He was Julian S. Myrick, Mutual of New York, New York City, retired vice-president of that company and for many years head of its Ives & Myrick agency in New York City. Mr. Myrick, 79, is chairman of American College and a past president of NALU, the New York State Assn. of Life Underwriters and the New York City Life Underwriters Assn. He holds NALU's Russell award for outstanding service to the institution of life insurance.

Mr. Smith called attention to some new features of this year's MDRT

roster which was distributed at the meeting. In addition to the usual alphabetical, geographical and company listings, it now shows when a member first qualified, how many times he has qualified, and there is a special listing of those who have qualified 15 times or more.

An innovation at this year's meeting was the introduction of the subsequent program speakers by Robert S. Albritton, Provident Mutual, Los Angeles, MDRT vice-chairman and program committee chairman. He briefly summarized the scope of each one's

talk so as to permit members to choose subjects of their main interest, where concurrent sessions were scheduled.

Monday afternoon there were concurrent sessions on distribution of wealth through trusts, beneficiary designations and settlement options, and on technical tax topics.

Offers Six Openers

Discussing distribution by trusts, Marvin L. McCarthy, superintendent of advanced underwriter training for Northwestern Mutual, suggested six key questions to open a sale:

1. "Mr. Prospect, do you know that through a life insurance trust you can provide a tax-free fund to meet estate and inheritance taxes and other estate expenses?" The answer is to place proceeds in an irrevocable, inter-vivos insurance trust. Proceeds are not part of the client's estate so long as the trustee is merely authorized—not directed—to make the proceeds available for estate expenses.

2. "Have you considered using a trust to retain and administer life insurance as a part of your estate until your children are old enough to take full control?" Life insurance can be administered and distributed through a trust just like any other property.

3. "Did you know that your life insurance can be arranged under a 'sprinkling trust' so that income and principal will be paid out to your beneficiaries in amounts they need, when they need it?"

4. "Would you be interested in a plan which cuts down your personal income tax and applies the tax saved to an education fund for your children?" This involves placing income-producing property in a term trust—for a term of 10 years or more—so that the tax on the income is shifted from the prospect's high bracket to the lower bracket of the trust itself.

5. "Did you know that your life insurance on your life, up to one-half the value of your estate, can be used for the marital deduction, so that you can pass it to your wife under trust, if desired, free of estate tax?"

Trust For Buy-Sell Plan

6. "Have you considered using a trust to carry out the provisions of your business purchase agreement?" If the prospect has some reservations about the performance and operation of an insurance-funded buy-and-sell agreement he might want to know that a trust can be used to impartially and precisely carry out the agreement's terms. Also, business continuation trusts are becoming more widely used to operate and manage a business until it can be sold or turned over to the heirs when they attain maturity.

"You will find," said Mr. McCarthy, "that properly handled and applied, trusts will give more flexibility, more service, more life to your estate planning and more satisfaction than any

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other device, except the insurance policy itself, in the planning field."

Discussing wealth distribution through beneficiary designations and settlement options, Harry S. Redeker, general counsel of Fidelity Mutual Life, said two errors have been observed since the principle of marital deduction was introduced in the federal estate tax law. First, there seems to be a tendency to "overqualify" proceeds for the marital deduction. There are requests for qualifying clauses on behalf of people who, from available records, seem not to possess estates large enough to be concerned about federal estate taxes. Or there are requests for qualifying too large a portion of the life insurance estate. This won't benefit the insured's estate and it may add materially to the estate tax burden of the surviving spouse at her later death.

A second error is the erroneous assumption that payment of the proceeds in one sum to the widow or giving her a power of appointment, either during her lifetime or at her death under a settlement agreement, will automatically assure qualification for the marital deduction. The policies of some companies provide that the beneficiary must be alive when proofs are filed to be entitled to the proceeds of the policy. The case of *Eggleston (Estate of DeRoy) vs Dudley* held that such a policy provision created a terminal interest and precluded qualification for the marital deduction. The third circuit court's later reversal did not disturb the principle laid down by the district court.

Companies Glad To Amend

Companies whose policies are worded in this manner are aware of the problem and gladly amend their policies on request, said Mr. Redeker. Perhaps every effort should be made by such companies to alert their field forces to have requests submitted in appropriate cases, he suggested. These are just some of the problems, Mr. Redeker commented, adding that some companies now are undertaking a systematic review of settlement agreements on all outstanding policies with a view to detecting and alerting the insured to trouble areas.

Following these two speakers, Bernard C. Lewis, Prudential, Newark, gave a talk, illustrated with color slides, on how he organizes his work. He said that when he formerly made talks on his methods, many agents would say, "Yes, but what really are Bernie's secrets?" So, since color photography was his hobby, he decided to put on film the procedures that he uses in his work.

Warns On Innovations

In the technical tax topics session that ran concurrently, Jack N. Meeks, Northwestern Mutual, Columbus, O., discussed the tax and administration aspects of pension and profit-sharing plans. He warned against ever inserting anything new or untried in the design of a plan (no matter how small the item) until the effect on each administrative function has been fully explored.

His other main point was that there are four types of investments available for pension and profit-sharing plans, each of which has its advantages and should be used in appropriate situations, but this is an area where the average agent is weak. Nevertheless, he expressed the conviction that in order to be genuine consultants agents must have a sound working knowledge of all types of investments used in these plans.

Discussing various aspects of the

2039C estate-tax exemption, David Marks Jr., New England Life, New York City, said the regulations relating to section 2039C are confined to situations where death occurs either during a person's retirement or before his retirement but during his employment, and clearly provide that the benefits paid to named beneficiaries are excluded from the taxable estate. But they give no hint as to what the situation would be in the event of a severance of employment before retirement.

"In the latter case," he said, "there are four general possibilities: (1) The contract is converted into a paid-up annuity and the pension committee decides that it shall be held by the trustee until death or retirement date. (2) Same as (1) but the paid-up contract is assigned to and retained by the participant. (3) Same as (2) but the paid-up contract or life policy is cashed in. (4) Same as (3) but the life policy is retained and subsequent premiums are paid by the participant.

Suggests Possible Holdings

"Upon the death of the participant, it would appear rather definite that under (1) the proceeds would be excluded from the taxable estate and that the opposite conclusion would be reached in item (3). As to (2), it probably would just about make it a nontaxable asset and as to (4) the proceeds would probably be taxable in full, though a strong argument could be made that there should be a pro-rata, presumably on the basis of the cash value at the time of severance."

At this session, Denis B. Maduro, New York City lawyer specializing in employee benefit plans, estate planning and life insurance, acted as legal adviser on various points. Mr. Maduro is special counsel to the Round Table and to the New York City Life Underwriters Assn.

Monday afternoon at 4:30 there were "dates with the stars" sessions—groups at various spots around the hotel's pool, where the day's speakers answered questions from members on a more informal basis than would have been possible in a large gathering. The same plan was followed on Tuesday and Wednesday with those days' speakers.

Tuesday there were six concurrent workshop sessions, starting at 9 a.m.

and repeated at 10:15 a.m. and 9 p.m. Ben Epstein, Kansas City Life, Houston, gave the following plan, especially useful in community property states, by which a husband can supply the estate ample tax-free dollars to cover the estate taxes on his wife's half of the community estate, especially should she predecease him:

Wife Can Be Officer

"In my state, the wife automatically owns one-half of Joe Blow's stock in the corporation, through her community property interest. In several instances, I have recommended that the wife be named an officer of the corporation and even named to the board of directors. To this can be added an assignment of certain duties and functions which would not only enable her to grasp an understanding of the business but also qualify her for a small salary and thereby be placed on the corporate payroll as any other employee.

"When that is done, she would automatically, in my opinion, be eligible for split-dollar insurance, just as any other key employee or officer, and for all other benefits for which employees are eligible, including social security.

"The corporation would then purchase a split-dollar policy on her life. However, instead of setting it up as key-man insurance for the first two years, it would operate as split-dollar from the very beginning and she would pay the first annual premium out of her earnings. That portion of the proceeds of this policy which is payable to her beneficiary can then be irrevocably assigned and thereby rendered estate-tax-free in the event of her death, since she would have none of the incidents of ownership in the policy nor the 5% reversionary interest therein. . .

"I see no reason why the same plan cannot be followed out in the non-community-property states merely by gifting to the wife a portion of the family stock holdings in the corporation. This would qualify her for the same procedure as followed in community-property states, meeting the insurable interest requirement and making her, as an employee, eligible for split-dollar insurance."

William C. Hartman Jr., National Life of Vermont, Athens, Ga., emphasized the appeal of split-dollar insurance to donors to tax-exempt founda-

tions. He said the basic appeal to the donor in the case he described was the prospect of making a substantial contribution of the order of a million dollars to the foundation as a death benefit.

"This amount of money," said Mr. Hartman, "was much easier to visualize in a concrete fashion than smaller annual donations over a period of years. In addition, the donor hoped that this type of large contribution would stimulate other individuals or corporate donors to follow suit, resulting over the next few years in 15 or 20 million dollars of life insurance being placed in favor of the foundation.

"By restricting the insurance plan to substantial amounts, probably \$250,000 or more, it is believed that the normal routine gifts will continue with no interruption to the normal procedures of the foundation contribution campaign. This idea is to appeal to the imagination of substantial donors and thereby raise the levels of their giving."

Deadline Gets Action

In the workshop on selling the small pension case, William L. Spencer, Equitable Society, Youngstown, O., said the fiscal or calendar year is a powerful closing tool: "Mr. President, you don't want to lose your tax credits for this year, do you? If there is any possibility that you are going to adopt this plan, it should be done before the end of your tax year. Let's establish the trust to preserve this deduction and you will then have 60 days to work out the details of the plan."

"The small pension case can be handled economically by the use of standard procedures and forms," said Mr. Spencer. "We maintain a file of mimeographed sheets of a pension trust agreement which we know is acceptable to the Internal Revenue Service. Modifying this standard instrument to a new case requires only minor changes in wording. This modified mimeographed agreement is then given to the firm's attorney, who reviews it, has it typed and executed.

"If there is question of qualification because of discrimination, this proposed trust agreement, with supporting information, is first submitted to the pension trust division of the Internal Revenue Service for ruling. Here is where it is important to know your



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Modern Americans take advantage of greater leisure time and many recreational opportunities made available to them. They also seriously plan for tomorrow's needs. Basic in their planning for their financial future is life insurance, for it is safe, economical and adaptable to changing needs. Modern Americans have learned, too, that Modern Woodmen life insurance serves them well with its modern, personalized applications.

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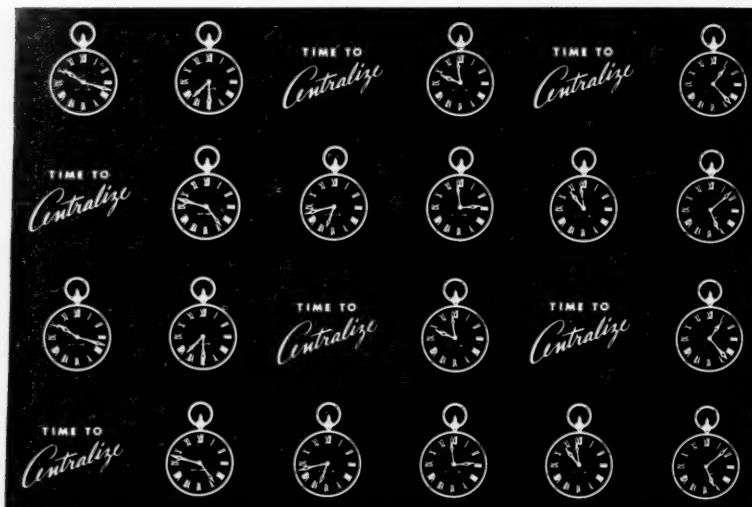


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Through the facilities of The Foundation Life Insurance Service Company qualified members are offered a number of services. These include: actuarial, accounting, tabulating, auditing, underwriting, policy issue, premium billing and other home office functions. The company is the only one of its kind in the life insurance industry.

By exploiting this company's resources The Foundation Group has been able to obtain more service at less cost. Reliable estimates show a single unit of machinery used at the home office does work five times as fast as it could be done manually. *These mechanical hands could be working for you.*

That Foundation Life Insurance Service Company does its job well is attested by the fact that last year brought an 88.9% increase in the amount of insurance processed.

Your inquiry concerning membership is invited

THE FOUNDATION GROUP

Box 321, Northside Station

Atlanta 5, Georgia

local revenue people. Sometimes a phone call will disclose whether or not the proposed plan is acceptable."

William C. Hester, Pan-American Life, Jackson, Miss., listed eight advantages of writing small pension cases on the association plan.

"The association plan opens the door of practically every member because the prestige of the plan and the counsellor has been established," he said. "It is a relatively easy matter to obtain the necessary personnel data for the purpose of making a brief proposal. Our proposals for a member are very brief, and consist of only three things as they would apply to his organization: an illustration of eligibility requirements, an illustration of the proposed employee benefits, and a brief cost analysis. These are the factors that are most important to the individual member, and if they are acceptable the entire plan is satisfactory."

How To Sell To Doctors

In the workshop session on the professional man, Felix H. Bray, Mutual Benefit Life, Houston, gave these suggestions on selling to doctors:

1. Learn to expect broken and delayed appointments, mainly because of emergencies inherent in the doctor's practice. Patience will also be needed because the doctor is usually of an analytical type and will want to weigh any proposal. Rarely will he make a decision on the first presentation.
2. Show appreciation of the value of the doctor's time. Go quickly and directly to the point, explaining why you are doing so.
3. The doctor has little time for recreation and prefers the informal and relaxing type. "We have obtained very good results with charcoal-broiled steaks on the patio, served with appropriate liquid refreshment."

Dislike Long Interviews

4. Doctors most dislike long interviews not instituted by themselves, and being called on without the courtesy of a requested appointment.

5. Especially with a young doctor, quickly let him know you have some new and fresh ideas that have enabled many of his colleagues to improve their financial situation without appreciably increasing their present capital outlay.

Donald C. McCune, Fidelity Mutual Life, Pittsburgh, said the greatest stumbling block in dealing with professional men is obtaining a favorable interview. The agent should keep in mind that on the initial contact he is selling not life insurance but his service. This means respect for the doctor's time and hence a business-like approach.

Phoning Aids Prestige

"I always arrange my appointments by phone," said Mr. McCune. "It saves time and adds to my prestige. The doctor works by appointment and he will be favorably impressed when he learns that you work by appointment also." Mr. McCune uses this telephone approach:

"Hello, Doctor, this is Don McCune. I don't believe you know me, but I have done a great deal of work for men in your profession along the line of estate planning. One of the doctors for whom I have done some work thought well enough of it that he suggested I go over my estate planning material with you. I work by appointment only, and I would appreciate the courtesy of an interview with you and your wife, at a time that will fit into your schedule. In order to give you a complete understanding of my service it will take approximately two

hours of your undivided attention. What evening next week may I see you?"

The deferred-compensation workshop had as first speaker Alfred S. Howes, Connecticut Mutual Life, New York City, who said that of primary importance to the employer is the exemption of the reserves in the life insurance contract from section 531-7 income of the 1954 internal revenue code (section 102 income of the 1939 code).

"The courts have held in many instances," he said, "that the purchase of life insurance is necessary and proper in the conduct of an employer's business, particularly to indemnify a corporation against loss upon the death of a key executive. Naturally, a corporation would suffer not only the loss of the services of the executive but would suffer loss through its required payments to the estate of a deceased executive under a proper deferred compensation contract."

Values Not 'Unreasonable'

"Consequently, the life insurance cash values built up incidental to the purchase of life insurance under those circumstances would be exempt from that section of the code commonly known as the 'unreasonable accumulation of surplus taxable income.' Prominent lawyers have stated that life insurance cash values are the only liquid assets which are exempt in this matter."

As one approach to deferred compensation, Raymond F. Triplett, New York Life, San Jose, Cal., suggested the following letter, marked "personal and confidential":

"What would you think of an idea wherein you could provide deferred pension income to the individuals of your selection in your corporation without necessitating the approval of the Revenue Service and, at the same time, get a better tax break than is available under a formal pension or profit-sharing plan?"

Offers After-Tax Profit

"This can be done, if desired, just for stockholders, to the exclusion of other non-stockholder employees, to provide retirement income, disability income and payments to the widow of a deceased stockholder at an after-tax profit to your corporation."

"We have installed a number of these plans for California corporations and, in the process of working out such a plan for a mutual client, Attorney Smith felt that you should be made aware of the existence of this arrangement."

"With this in mind, Mr. Jones, I should like to call you during the next few days for an appointment at your convenience."

At another workshop, Keith W. Loring, National Life of Vermont, Miami, offered four of the most profitable ideas he uses. Here is one of them:

"A novel use of term riders makes a very logical appeal to many prospects. I try to add these riders as an unusual form of double indemnity without all the usual restrictions. This one idea alone can almost double an agent's volume of business."

"Most people are curious about double indemnity, because this feature has become highly popularized. The page you have in your hands, entitled 'Which Kind of Double Indemnity Do You Want?' emphasizes the many exclusions in the customary form of double indemnity. The difference in premium is not excessive, when all the benefits are compared. What's more, because of the conversion fea-

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ture, clients really appreciate these riders after their first chest pain or ulcer symptom!"

Instead of talking about life insurance, Stanley S. Watts, Equitable Society, Norfolk, Va., asks his prospect to imagine that a trust company has set up a \$10,000 account for him and his family, without his having to do anything but pay about 2½% interest a year.

"This is a novel approach," said Mr. Watts, "and before the prospect is aware that we are really talking about life insurance I have him telling me about his family, his business and some of the things that are near and dear to his heart, and when we get him in this position we can quickly analyze many other problems that insurance would solve. Oftentimes the end result is a conference with a trust officer of his bank and the setting up of a life insurance trust."

Likes Estate Planning

Walter R. Cavanaugh, North American of Canada, Grosse Point Woods, Mich., said in another workshop session that he prefers the estate planning approach because it is a "multi-problem, multi-need approach."

"It has much more prestige and a much better possibility of getting a hearing," he said. "It is also a more realistic method than the single-need approach, because you are not so easily cut off with the statement, 'I already have business insurance,' or 'I am not interested,' or 'I have a life insurance agent.'"

"I use a pre-approach letter and may enclose a pertinent pamphlet on estate planning or some advantageous tax-saving privilege the business owner may be interested in knowing about. I also enclose an introductory brochure telling about myself and my work. I then phone for an appointment or preferably stop in at the owner's place of business."

Personalizes His Approach

At this workshop, Frank E. Brennan, New England Life, Kansas City, said he uses the same approach for basic estate planning as he would for programing, except that he personalizes it by saying that he does estate planning, that he has a service that has been of value to others, and it involves looking at a man's estate from his standpoint in relation to current tax law, his need for liquidity, all based upon his stated desires.

"I further point out," he said, "that if a need for liquidity occurs and if life insurance can best satisfy that need, I will recommend my product and would naturally expect him to buy it through me. He will usually agree to this—if he doesn't, then I leave. I have sold too many policies for other agents by not being emphatically clear about my real place in the picture."

'Preliminary' Is The Key

"With these thoughts in mind, I then get the facts by telling him I need some 'preliminary' information. The word 'preliminary' is the key, because the prospect feels you will just ask him a few basic questions and not take up too much time. I then proceed to get all the facts on a simple sheet as outlined on Exhibit A." (This was distributed to the group.)

Final event of Tuesday morning was the play "Stardust," originally presented at the 1952 Round Table meeting. This portrays the problems faced by a typical member of the Round Table. Based on an idea conceived by John O. Todd, Northwestern Mutual, Chicago, a past chairman of the MDRT,

it was written and produced by Laf- lin C. Jones, Northwestern Mutual's director of markets research.

Wednesday opened with a session on the 1958 technical amendments act provisions that directly or indirectly give life insurance and annuities more favored tax treatment and open up additional opportunities for sales. Discussing tax-option corporations, William E. Murray, partner in the New York law firm of Jackson, Nash, Brophy, Barringer & Brooks, told how certain small business corporations now may elect not to be taxed as entities but to serve as "conduits," with their shareholders taxed like the partners and beneficiaries of partnerships or simple trusts.

"The treatment," he said, "is obviously beneficial if the shareholders do not have substantial individual incomes and have been receiving dividends from the corporation on which a corporate tax has been paid. Thus, the general rule is that it is beneficial to make the election if the individual shareholders' tax rate is the same or less than the rate of tax imposed on the corporation. Proposed distribution of profits is not the test. Income could be accumulated by the corporation with distributions to the shareholders to pay the tax or undistributed income."

Summa Outlines Case

Donald J. Summa, partner in the New York accounting firm of Arthur Young & Co., took a hypothetical situation and explained how an electing corporation could produce a better result for its owners. This is because of what a corporation can do with employee benefit plans and profit-sharing plans. In addition, further advantages may accrue, such as lump sum distribution could result in long-term capital gain on retirement; a \$5,000 exclusion would be available for payments on death, and sick pay exclusion benefits, up to \$5,000 a year, are also available.

"There are three areas that I find really exciting today," said John O. Todd, Northwestern Mutual, Chicago, in his talk on advanced selling. "The first is major estate and income-tax relief for the very successful business man whose estate has grown greatly on account usually of the expansion of his business. I'm talking about the prospect that heretofore has been not too much of a prospect in our field because his figures have gotten so big that it's hard to know what to do about him."

Permits Discrimination

"The second is the area of key-man coverage for larger corporations, whether tied to deferred compensation or not. The larger corporations, as you know, are another area which up until the last few years have not been really prospects for life insurance. The third area is split-dollar insurance as a means of low-cost but high-yield added compensation on a basis that is strictly discriminatory in favor of top executives rather than non-discriminatory, as the government requires in an approved pension plan."

After going through some examples embodying his suggestions, Mr. Todd said: "If there is a basic common denominator, it is that these approaches all aim at producing greater benefit and greater wealth, rather than at substituting a cost for a benefit. When you can do this, won't you always find that people will want as much as they can acquire, rather than to get by with as little as possible?"

During the foregoing session there was a gathering for the Canadian

members on topics dealing with Canadian tax laws. A. J. Little, partner in the Toronto accounting firm of Clarkson, Gordon & Co., spoke on deferred compensation and other uses for business insurance. There followed a panel on sales and programing techniques, moderated by Charles C. Peck, Canada Life, Toronto, and having as panelists Max Seigler, Great-West Life, Montreal, Rodney Hull, Mutual Life of Canada, Toronto, and A. Harold Bick- erstaff, Global Life, Toronto.

Following a special Canadian lunch- eon, John W. Graham, partner in Payton, Biggs & Graham, Toronto law firm, spoke on life insurance and the estate tax act.

Four Workshop Sessions

For non-Canadians, the afternoon session Wednesday comprised four workshop sessions, starting at 2:15 and repeated at 3:30. Each discussion leader gave a brief talk on his methods at the start of the session.

From an estate planning standpoint, one of the finest door-openers provided by the 1958 tax law is the installment payment of estate taxes, said Charles S. Motz, Massachusetts Mutual, Atlan- ta.

"The inclusion of this section in the

code," he said, "only points up what we already knew—that the use of life insurance to pay tax costs is one of the finest things in the world. The fact that Congress has recognized the problem of the small business owner by attempting to make it easier for him to pay taxes creates a decided plus factor for the life insurance man. We are given the opportunity of using the influence of Congress to show how this can be done more easily than Congress itself has dictated."

Uses For Pseudo-Corporation

Discussing various situations in which the pseudo-corporation might be helpful to a client, Edward J. Mintz, New York Life, Salinas, Cal., said these situations often open opportuni- ties to sell more life insurance. On the other hand, often a study of the facts reveals that no change in the form of doing business should take place, yet the process of analysis re- veals that existing coverage is inade- quate and should be supplemented.

"The underwriter in the picture with the inside information has the inside track," he commented. "Who could ask for anything more?"

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William "Art" Long

5 YEARS

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Don Schlundt
Lloyd H. Sellers
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Gene J. Tharpe

2 YEARS

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tax law's technical amendments, it is important, as in any other sale, to outline to the prospect in a simple, concise manner what he stands to gain, said Donald Shepherd, John Hancock, Quincy, Mass. Mr. Shepherd uses a graphic illustration showing what happens to a \$100,000 personal income on a joint return basis. Each \$10,000 of it is shown divided between "YOU" dollars and Uncle Sam dollars, and cumulative totals are given for each step up the income ladder. At one end of the scale the "YOU" dollar is worth 78 cents; at the other it is worth only

27 cents.

"Would it excite you, looking at this picture," he asked, "to be told that these 'YOU' dollars of 27 cents could be converted to 100-cent dollars because of the new type of tax treatment afforded small businesses? The answer is obvious, whether you are operating as a corporation or a sole proprietor."

In his workshop session, Charles T. Kingston Jr., Union Mutual Life, Hartford, used slides to show the 14 sketches that he uses in his approach talk. He has found it to be the answer to

the problem of how to convey to the prospect the mechanical character of the agent's service and also his "serve more" philosophy at the same time. At the end of his presentation, he asks the prospect, "That is as succinctly as I can tell the story. Does this service appeal to you?"

Color Movies Of Hawaii

Wednesday evening there was an exhibition of color movies of Hawaii, where next year's Round Table will meet. Presiding was Quan Lun Ching, Prudential, Honolulu.

Thursday's session opened with a trio of talks on the theme, "It's a Wonderful Business."

Antoine Desmarais, Prudential of England, Montreal, told how he missed a sale because he had taken it for granted that a client whose life insurance he had brought up to a million dollars could not possibly want or need any more. Somebody else sold the client \$600,000 additional before Mr. Desmarais got back into the picture and sold \$900,000 on top of the \$1.6 million.

Robert E. Castelo, Northwestern Mutual Life, Champaign, Ill., told how he uses a rough but graphic sketch of "the man at the pump," i.e., the policyholder pumping money into all the usual channels.

Pump Minus Man

"To illustrate the problem in estate planning cases, I erase the man at the pump and then of course we have the administrator or executor attempting to see to it that creditors and Uncle Sam are paid and that the family, with the income developed by the man at the pump, can continue to live and do the things that the estate owner would wish for them," said Mr. Castelo.

James C. Bradford, New York Life agent in the village of Battle Creek, Neb., gave two simple but moving accounts of how he had stuck with two prospects and sold them even though the sales resistance seemed well-nigh complete.

Slays Three-Headed Dragon

Conceding that a "powerful tax entree" or a new gimmick might have been "better theater," Mr. Bradford said:

"It was not my wish to show you anything new. I hoped only to show you that sincerity, working hard, and staying to the grind are still the answer for most of us in the rural regions of the United States . . . Daily we are forced to try and slay the dragon with three heads—weariness, work and monotony. I have attempted throughout the years to set goals for myself and keep the race exciting, rather than being just a 'grind.'"

Those who have assumed that inflation has been pretty continuous over the last century or so and is likely to continue its upward spiral are basing their assumption on wrong data, according to Arthur R. Upgren, Bigelow professor of economics and director of the bureau of economic studies at Macalester College, St. Paul, Minn.

Mr. Upgren analyzed the period, breaking it down into shorter segments and showing what forces were at work to produce inflation in some and deflation in others. The forces producing inflation most recently seem to be of the non-recurring variety, he said. Hence, it would be incorrect to assume that stocks are a good buy at today's high prices.

"The reasons are," he said, "that at present there is extremely great market activity in common stocks and high prices prevail in the stock market, and at the same time there is only a modest outlook that we shall have in-

flation . . . There is always a 'crescendo' psychology in connection with stocks. Certainly the last three years have represented such an atmosphere as did 1929 . . . In contrast to present low yields on common stocks, yields on bonds are good. There is every prospect that the yield on bonds will continue to be good for a decade or more into the future. Thus, the purchaser of life insurance will benefit by the good yields which should be earned on the sums he invests in life insurance as his methods for accumulating an estate for retirement."

Mr. Upgren said the price rise from 1956 to 1958 was not due to creeping inflation but rather to the pronounced new plant investment boom on the part of business. Wages rose, it is true, and they rose faster than productivity. But what made the rise possible was the new plant investment boom, he said.

Causes 'Non-Recurring'

"The cause of the price rise in 1956-57 is quite non-recurring," said the speaker. "There was inflation, but there does not seem the prospect for its continuation until we have another sharp plant investment boom. It is that very boom which subsequently increases the flow of goods and the efficiency with which they are produced. That plant investment also increases incomes. All of these consequences are good, because this is, in fact, the precise way in which progress is made in a free, inventive and innovating society."

The concluding speaker of the meeting, Arthur F. Priebe, Penn Mutual Life, Rockford, Ill., a past chairman of the Round Table, based his talk on what MDRT members are doing in their communities in civic, educational and religious activities—work not motivated by the hope of reward but only by the urge to be good citizens and to further the projects they have become interested in.

After recounting the first such case, Mr. Priebe said, "You'll notice I didn't mention any names." He remarked that this was in keeping with the book from which he drew the title of his talk, "Magnificent Obsession," in which the hero delighted in doing good works but always anonymously.

Cites Good Works

Mr. Priebe cited work done by MDRT members in Community Chest drives, in hospital fund-raising, in church work; in educational work within and without the insurance business, including teaching CLU and LUTC classes; and finally in organization work in the business at the local, state and national levels. He noted that three MDRT chairmen have been presidents of NALU.

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gram of outside activities, Mr. Priebe closed his talk by quoting a statement attributed to an elder who was bringing a Quaker meeting to a close: "The meeting is over; now the service will begin."

A good part of Sunday, the opening day of the meeting, was open for relaxation, including swimming, fishing, golf, boating and sightseeing. In the afternoon there was a meeting for the first-time attenders to meet the convention hosts and then a special welcome for first-time attenders, with MDRT Vice-chairman Robert S. Albritton, Provident Mutual, Los Angeles, presiding.

Past Chairmen's Reception

There followed the past chairmen's reception for all members and guests. In charge of this was William D. Davidson, Equitable Society, Chicago, immediate past chairman of the Round Table, assisted by other past chairmen and members of the executive committee.

The outdoor steak dinner that followed was in the hotel's Lanai Garden. Later in the evening there was a get-together for informal entertainment by and for the members.

The meeting was officially adjourned by Chairman Smith Thursday noon, but later that afternoon there was a dutch treat garden party. This had a Hawaiian motif, reflecting the fact that next year's MDRT meeting will be in Hawaii.

N.Y.C. Mayor Opposes Blue Cross Rate Rise

NEW YORK—Mayor Wagner of New York City, in a letter to Superintendent Thacher of the department, has come out in opposition to the proposed average 34.2% rate boost requested by Blue Cross here. The mayor said he was opposed to the raise because only a small part of it will be used to improve "the distressing low wage level" of New York City hospital workers, many of whom were on strike at the time the mayor's statement was made. The striking workers have since voted to go back to work.

Asked To Hold Up Ruling

Mayor Wagner asked Mr. Thacher to hold up his ruling on the Blue Cross application pending completion of a rate study of all A&S plans in New York State that was begun last year by the department. The director of the study, Dr. Ray E. Trussell, chairman of the school of public health and administrative medicine of Columbia University, has advised the superintendent not to wait until the study is completed next September before instituting the rate increase.

The superintendent has indicated that a ruling on the rate boost could be expected at any time.

If the Blue Cross financial situation is so serious that it cannot wait until the study is finished, the mayor said, then a moderate increase might be granted, but it should be one that would be limited to maintaining Blue Cross reserves and "to cover salary increases for non-professional workers."

Continental American N. Y. New Business Correction

Continental American's New York state new business figure for 1958 was misstated in the tabulation on page 23 of the April 25 issue. The correct figure is \$36,612,921, not \$366,129 as entered in the tabulation.

LIC Meeting Told: Business Must Unite

(CONTINUED FROM PAGE 1)

companies, Central State of Louisiana and Mutual Savings of Alabama, were introduced by Charles E. Phillips, Equitable Life of Washington, D. C., secretary of the conference and chairman of the membership committee.

Following the traditional pattern, officers moved up one place. John T. Acree Jr., president of Lincoln Income Life, 1st vice-president, becomes president, succeeding Mr. Evans, who becomes a member of the executive committee for one year. R. Howard Dobbs Jr., president Life of Georgia, is 1st vice-president, and Charles E. Phillips, president Equitable Life of Washington, D. C., 2nd vice-president. W. R. Lathrop Jr., executive vice-president Southern Life & Health, is the new secretary.

New directors elected for three-year terms are J. F. Bryan III, Independent Life & Accident; H. T. Parker, Commonwealth Life, and Y. W. Scarborough Jr., Atlantic Coast Life.

Above everything else, the fight against increasing inflation is the outstanding major problem facing the life insurance business and requires the closing of ranks in the entire business to deal with it effectively, Mr. Evans declared in his presidential address. The campaign of Institute of Life Insurance to mobilize public thinking against this vicious threat to a stable economy urgently needs active support of all forces from agent to company president.

Must Demonstrate Solidarity

The job in fighting this threat and others to the business can be done only if all the companies get back together despite the disruptive differences and demonstrate the solidarity again which was evident in past years.

Life Insurers Conference has demonstrated to the entire industry how, through close association and interchange of information, those differences can be reconciled and solidarity reestablished. "I hope we will assume the leadership in encouraging the companies outside of our membership to follow our lead in resolving these differences which still exist for, in looking ahead, it is very evident that we must develop this solidarity in facing the problems which are almost immediately upon us," Mr. Evans said.

While no one is completely happy with the new federal income tax law, which places an extremely high tax burden on most of the LIC companies, it could have been worse and much more discriminating against the smaller companies, both stock and mutual, had it not been for "the tireless labors so generously contributed by many members" of the conference. All responded fully and effectively when called on.

It is obvious that the tax job has yet to be completed and that the question will be before the companies for some time. "The apparent strong divergence of opinion which still exists between several segments of our business must be resolved or we are going to face a continued tug of war which, undoubtedly, is proving to be a discredit to our business in the eyes of not alone the Treasury and Congress, but the public generally," Mr. Evans asserted.

While competition between companies for markets is nothing new and this force has tended to build strength, he cited a number of developments previously mentioned which are looked upon by many companies as not being

consistent with the basic principles of the business.

Differences of opinion must always exist among business leaders but their stature can be measured by their willingness to conciliate these differences and move back together in developing solidarity, he said.

Mr. Evans indicated that the apparent tug of war between federal and state regulation of insurance, the Senate anti-trust and monopoly investigation, social security expansion, health insurance legislation, Treasury rulings relating to personal income taxation in the areas of premium deductions, congressional legislation such as the Jenkins-Keogh bill, and state premium tax legislation, will require unity of action if the challenge is to be met.

Reaches All-Time High

Life Insurers Conference membership reached an all-time high this year with 96 companies domiciled in 24 states, District of Columbia, and Puerto Rico, Martin B. Williams, executive vice-president, stated in his report. At the end of 1958, total premium income for all members was \$1,970,219,297; insurance in force \$72,853,154,098; assets \$14,984,353,451, and number of policies 66,235,207. Member companies were represented by 70,548 field men and 30,094 other employees.

Mr. Williams pointed out that since the previous annual meeting in Florida recessed to Chicago for a session on federal income taxation last year, company executives have done little else than talk, eat, and sleep taxes. The central office sent out 40 separate mailings on taxes alone in the past year, he said. More membership and executive committee meetings were called in the past year than in any

other year in the 50-year history of the conference.

All members followed conference leadership under President Evans on the tax matter, despite the split in the industry on the question.

"Nothing would please me more than to tell you that after the frustrating experiences of the past year that we could now turn our attention back to business and some form of normalcy, but I can find little support for such a notion," he stated. Some of the storm clouds he sees ahead are the statement of the chairman of the ways and means committee that there will be a reexamination of life company income taxes during the over-all tax revision study in November, the Ford and a similar bill, the Senate judiciary anti-trust subcommittee investigation of insurance and possible revision of the McCarran act with its implications of federal regulation, and the danger of continued inflation.

The debit man today is an ordinary man on the debit, B. N. Woodson, president, Home State Life, declared, after pointing out that within the past 30 years the combination agent had increased his ordinary production from 25% to 44% of the total ordinary sold. The increase for the ordinary companies in that period is in a ratio of 1 to 3.4 compared with ratio of 1 to 8 for the combination companies in ordinary production.

Debit Is Most Efficient System

The debit system is the most effective, efficient, and economical system yet devised for the distribution of insurance, he said in explaining his return to the combination field.

Under the debit system, the average man can do the job and not merely the exceptional. In the ordinary field, only about 20 out of 100 men succeed as compared to from 50 to 70 out of 100 in debit jobs.

Major advantages of the debit system are that the agent is in frequent,

the
country's
most
friendly
company



*offers the important little extras
that build extra big sales success*

NORTH AMERICAN LIFE
Insurance Company OF CHICAGO

Charles G. Ashbrook, President
Ronald D. Rogers, CLU, Agency Vice President

North American Building

Chicago 3, Illinois

constant contact with the insured, prospecting is almost on an assembly line basis, and the agent has specific and well-defined duties with a minimum of wasted time and motion, in contrast to the indefiniteness of the job of the ordinary agent.

Mr. Woodson declared that he had "implicit, unshakeable confidence" in the debit system. It has a great future, regardless of the shifts in the economic picture and the trend to ordinary.

Health Insurance Council can succeed only to the extent that top com-

pany management understands it, endorses it, and puts it to work for each company, J. W. Scherr Jr., chairman Inter-Ocean, stated in reporting on current activity of the council. It has published numerous pamphlets and booklets for doctors, hospitals and allied health groups and has devised simplified health insurance claim forms as well as standard attending physician statements which are used nationally. Although the pertinent forms have been approved by American Medical Assn. and American Hospital Assn., acceptance by local hospital and med-

ical groups leaves something to be desired and companies are not cooperating to the fullest possible extent.

Mr. Scherr urged each company official to see to it personally that approved blanks are being used throughout his company's operation.

A blank for physicians to report weekly premium loss of time claims has been prepared and its approval by council is now under consideration.

While a generally favorable public attitude exists towards health insurance, educational work needs to be done among doctors and hospitals. For that reason, the council has stepped up activity in this area and a state committee organization is in operation with over 500 insurance company officials and field men members of state and local subcommittees which are actively engaged in meeting with and discussing insurance-medical-hospital problems in an atmosphere where mutual confidence and understanding already had existed, he stated.

The period of stress and strain occasioned by differences over the form of federal income tax legislation is coming to an end and there is enough preponderance of opinion to act effectively on matters of common concern, Valentine Howell, executive vice-president of Prudential, asserted in his address.

Thrift Tax Unwise

A federal or state tax on thrift is not a wise thing. A life insurance tax is an outstanding example of a tax on thrift, he said.

The companies are pretty well united against the expansion of federal government activity in accident and sickness insurance. This is a tremendous vote-getter, Mr. Howell declared. State health programs in Canada and Britain have been shown to be ruinously expensive and have increased the use of health facilities beyond normal needs. An increase in the cost of services all over without respect to income has occurred.

The Forand bill doesn't really touch the people who need it, he said.

There is agreement that the competition of mutual funds must be met, but divergent views as to how to do it.

While companies never think exactly alike on controversial questions, he said he thought they would get over their differences.

Two panel discussions on field problems aroused a great deal of interest. W. Sheffield Owen, vice-president Life of Georgia, moderated the discussion on agency trends with the participants D.F.S. Johnson, vice-president Interstate Life & Accident; R. W. Wiltshire, vice-president Home Beneficial Life, and R. K. Zelle, vice-president Life & Casualty.

Mr. Zelle discussed his company's experience with the family plan, Mr. Wiltshire the advantages and disadvantages of a single agency system versus a dual agency system for a combination company, and Mr. Johnson the considerations that influenced his company to go into fire insurance.

The moderator of the panel which discussed the subject of making managers more effective was Lloyd A. Brewer, Jr., vice-president Equitable Life, D. C., with his panelists J. M. Jackson, director of agencies Life of Georgia; H. D. Parker, executive vice-president Commonwealth Life, and W. R. Toler, 2nd vice-president Life of Virginia. The discussion brought out what the various companies are doing to make the manager more efficient in his job of managing a district.

An open forum on company management problems closed the meeting with R. Howard Dobbs, president Life

of Georgia, and conference 2nd vice-president, presiding. O. D. Pritchard, Union Central, president National Assn. of Life Underwriters, spoke on national association objectives.

Various company agency publications received awards for excellence at the past presidents' banquet. Winners in their respective classes were: Best mimeographed weekly, Union National "Record"; best printed weekly, Gulf Life "Gulf Stream"; best multilith or offset industrial income over \$5 million, American National "Star Bulletin"; best multilith or offset industrial income under \$5 million, Empire Life & Accident "Broadcaster"; best mimeographed monthly, Progressive Life, N. J., "Progressive Review."

Display Of Publications

A display of publications was set up by A. B. Richardson, vice-president Life of Georgia.

Reports were presented by Charles E. Phillips, Equitable Life, D. C., secretary; Y. W. Scarborough, Jr., Atlantic Coast Life, resolutions; W. T. Leith, Peoples Life, D. C., credentials; R. W. Wiltshire, Home Beneficial, attendance, and Wyatt Smith, Home Beneficial, auditing. The nominations were presented by Bascom Baynes, Home Security. H. C. E. Johnson, Interstate Life & Accident, said the management seminar sponsored by the conference had gone over exceptionally well and enthusiastic comment had been received from those who had attended it.

Commissioner Pearson of West Virginia welcomed the members to his state. Rev. C. W. Paskell, Emmanuel Methodist Church, White Sulphur Springs, gave the invocation.

T. C. McCullough, president, Union National Life, Baton Rouge, presided at an informal session for the smaller companies.

Gives Meeting Dates

President Evans announced that the 1960 meeting will be held at Roosevelt Hotel, New Orleans, May 25-27; 1961 meeting Americana Hotel, Bal Harbour, Fla., April 13-16, and 1962 meeting returns to White Sulphur Springs, June 14-16.

Memorial resolutions for 23 members who died in the past year were presented by Y. W. Scarborough Jr., Atlantic Coast Life, resolutions chairman. They were H. R. Kendall, Washington National; L. M. Cathles, North American Reassurance; C. B. Hall, Durham Life; R. E. Williams, Life of Virginia; V. S. Oulliber, Delta Life; Geston Garner, State Mutual of Georgia; C. E. Woodruff, Union Life of Virginia; C. T. Rogerson, Life of Virginia; A. J. Watkins, Home Beneficial; I. F. Hall, State Capital; S. E. Allison, Life of Georgia; Albert Burns, Baltimore Life; J. W. Galloway, Republic National; R. A. McIver, Washington National; R. C. Strubbe, Lincoln National; G. R. Larus, Old Dominion; O. M. Whipple, Gulf Life; J. P. Baldwin, Union Life of Virginia; R. E. McCann, Life of Virginia; W. N. Welty, Standard Life of Mississippi; B. W. Balay, Inter-Ocean; T. H. Malone III, Life & Casualty, and J. W. Carpenter, Southland Life.

Golf prizes were awarded at the past presidents' banquet by W. N. Culp Jr., Southern Life & Health, activities chairman. The tournament winners were: R. S. Smith, Connecticut General, first low gross; George W. Young, Connecticut General, second low gross; F. G. Shepard, American United, first low net; Commissioner Pearson of West Virginia, second low net; Mrs. J. W. Scherr Jr., Inter-

WANT ADS

Rates—\$22 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.
THE NATIONAL UNDERWRITER—LIFE EDITION

ACTUARY

A Midwest Life and Accident and Health Company—Licensed in 42 states—Excess of \$200,000,000 in force—Total assets over \$4,000,000—Individual selected will assume all duties of Actuarial Department. Responsibilities include Rates, Policy Forms, Valuation, Annual Statement figures and Experience Studies. Salary commensurate with experience and ability—Send résumé to Box G-97, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.
—All replies held in strict confidence.

LIFE COMPANY MERGER OR PURCHASE

Rapidly growing Mid-West A & H and Life Company operating in two states and soon entering four more. Capital & Surplus \$400,000. A & H premium income \$500,000 with 25% loss ratio. Agency plant of over 100. Young aggressive management would like to acquire your company via merger or purchase and retain your executive staff. An especially attractive merger for Company concentrating on life since we're mainly A & H. Strictly confidential. Principals only. Address: President, Box H-25, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

A & H AGENCY DIRECTOR

Want promotional minded Hospitalization and A & H man with successful recruiting and supervising background. Fast growing Company licensed in two states and soon entering four more. Salary open plus bonus and stock options. Write fully in confidence to: D. H. Shteamer, Pres., Missouri National Life Insurance Co., 1006 Grand Ave., Kansas City 6, Mo.

HOME OFFICE SUPERINTENDENT OF AGENCIES

An Eastern Life Insurance company desires Home Office Superintendent of Agencies. Must be well versed in LIAMA training and supervisory methods, salary commensurate with experience. Replies held in strictest confidence. Write Box H-19, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

HOME OFFICE GROUP AND PENSION SUPERVISOR

Medium-sized Life Insurance company desires Home Office Group Life and Pension Technician. Experience with Association Plan desirable. Company affiliated with a National Casualty Organization. Salary commensurate with experience. Inquiries invited. Reply Box H-24, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED: PURCHASING AGENT

Large Midwest company needs experienced Purchasing Agent. Preferably under age 40. All correspondence strictly confidential. Address Box G-99, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

HOME OFFICE FIELD SUPERVISOR

Life Insurance company desires Home Office Field Supervisor. Must have successful personal production record in a Career Agency Operation. No management experience required. Will be trained for position as Superintendent of Agencies or Associate Branch Manager. Salary \$5000 to \$6000 per yr. Reply confidentially to Box H-21, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

PERSONAL LIFE INSURANCE SALESMEN

Old established Midwest Life company has openings in St. Paul, Minnesota; St. Louis, St. Joseph, Missouri; Des Moines, Sioux City, Iowa; Omaha, Nebraska; Green Bay and Milwaukee, Wisconsin; and Evansville, Indiana. No prospecting problem. Ordinary coverage written on salary deduction basis on large Industrial Group with operations in these cities. Excellent opportunity for man aggressive and interested in top earnings. Full Home Office assistance—Invested contract—Fine opportunity to develop agency. Write in confidence to Agency Vice President, Box H-28, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

EUROPEAN OPPORTUNITY

A prominent Eastern insurance company with an expanding agency in Europe writing military and American business people offers top contracts to top agents who still retain some adventurous spirit. Openings are available in England, Germany, France, Spain and North Africa. If you are interested in and capable of real production, coupled with tremendous income tax advantages, write for full particulars in confidence. Send personal details and photograph to Robert H. Rose, 82 Portland Place, London, W. 1.

GROUP SALES DIRECTOR

(Capable of organizing complete Group Department)

by a Midwest Life company affiliated with a nationally known organization having unlimited contacts and prestige. Man selected must possess reputation for integrity as well as Sales results. If you are not prepared to meet the challenge of a real opportunity, please do not reply. Write in confidence to Agency Vice Pres., Box H-29, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

SOUTHERN MANAGEMENT OPPORTUNITY

Company desires a State Manager for North Carolina. Need not be located in State. Prefer Bostonian or New Yorker. Must be well versed in LIAMA training and supervisory methods. Excellent salary, plus liberal overrides. Replies held in strictest confidence. Address Box H-26, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AGENCY SUPERVISOR

Mature and fast-growing middle-western company has opening for Agency Supervisor. Applicant should be 25-35 years of age, preferably married, and must have good background of training and successful selling. Job requires extensive travel. All inquiries confidential. Reply Box H-18, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

INSURANCE COMPANY WANTED

Investment Firm interested in the acquisition of an Insurance Company which may be expanded by additional capital. Write Box H-20, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Ocean, low ladies gross, and Mrs. J. R. Anthony Jr., Suwannee Life, ladies low net.

The newly elected president of Life Insurers' Conference, John T. Acree, Jr., president of Lincoln Income Life, started in the business in 1934 as an office boy and rose to become president of his company in 1949, a position he has held since. He is a graduate of Oklahoma City University.

A member of the conference's executive committee for six years, he has served it also as secretary, second vice-president, first vice-president, and program chairman for its 50th annual meeting. Among his many business and civic activities, he is a past president of Institute of Home Office Underwriters, a member of the executive committee of Insurance Economics Society, and state vice-president of American Life Convention for Kentucky.

Pacific Actuaries Study Tax Effects At Meeting

(CONTINUED FROM PAGE 1)
extent to which duplication of coverage, including statutory benefits, should be taken into consideration in the underwriting of individual loss of time and medical insurance. One company felt strongly that it is very unsound to permit a situation whereby an insured who suffered such a loss might make a profit by the transaction. Accordingly, its group major medical policies provide that claim payments shall not under any circumstances be greater than the excess of total claims above benefits payable under any other insurance policies held. There was general agreement that this was desirable.

Rising costs have made it necessary in some cases to increase premiums on A&S policies previously issued. It was reported that when this occurs there is at the first anniversary higher than the normal failure to renew, but that thereafter lapse rates are normal. Apparently the great majority of the public accepts the fact that the rise in the cost of living must affect the cost of A&S as well as the cost of commodities.

The meeting was presided over by G. Frank Waites of Coates, Herfurth & England, president. A. L. Buckman, vice-president and actuary of Beneficial Standard Life, was program chairman.

Variable Annuity Life, SEC Get Together

(CONTINUED FROM PAGE 1)
paid by buyers of the organization's variable annuity.

It will also handle the pay-outs during the "certain" period of annuity payments—that is, while no life contingency is involved. At the end of the "certain" period, the remaining shares held in the annuitant's account will be paid over to Variable Annuity Life, to be paid out on an annuitized basis, the amount of pay-out to reflect the yield on the company's investments, in the regular variable annuity basis. Variable Annuity Life will also issue the term insurance that is sold along with variable annuities covering the first years of the accumulation period.

Little Creek Agents Elect

Battle Creek Life Underwriters Assn. has elected Kenneth J. Parlin Jr., Penn Mutual, president. Other officers are David A. Wrate, vice-president; Edmund J. Wyson, secretary, and Chalmers J. Shull, treasurer.

IAAHU's Key Role Underscored At Meeting

(CONTINUED FROM PAGE 2)

then seeing it through from start to finish.

At the business session, there was considerable interest in a revival of "Hoodoo Day," with its black cat theme, for an intensive sales campaign on each Friday the 13th. This promotion was formerly put on by The National Underwriter Co., which has turned over all its material to IAAHU.

There was discussion of reviving Hoodoo Day for Nov. 13, which is the next month having a Friday on the 13th, although it seems probable that the time is too short. There was also considerable interest in an "A&S Week" but after some discussion it was the prevailing opinion that it would be a mistake to try to promote a national A&S week, because there are so many such national "weeks," and also because if promoted on a state-by-state basis, there is a much better chance to tie the week in with local events, such as a sales congress.

Distinguished Service Awards

Distinguished service awards were presented to 10 persons by the awards committee of the international association. These are made for service for the association above and beyond the call of normal association duties. Recipients are William Reinsh, Nebraska association, for leadership in Nebraska and nationally; G. M. Brooks, Southland Life, Dallas association, for leadership in Texas and nationally; Lionel J. Devereaux, Great-West Life, Central Michigan association, for leadership in central Michigan; Clifford L. Saunders Jr., Mutual of Omaha, Alabama association, for the hospital admission plan in Alabama; Mrs. Sally W. Davis, North American Assurance Society of Virginia, Pennsylvania association, for continued loyalty to the industry; Robert E. Little, All American Life & Casualty, San Francisco association, for past leadership in California; William Harmelin, Harmelin agency, New York association, for winning the Bennet-Shoup editorial award contest; E. J. Coffey, Mutual of Omaha, Oregon association, for continued industry leadership; John J. Symanitz, Inter-State Assurance, Minneapolis association, for Minnesota membership and sales congress work; Robert W. Osler, Rough Notes Co., Indianapolis association, for continued industry leadership.

The Leading Producer's Round Table awards for A&S insurance premium production during 1958 numbered a record 255, according to the Round Table's president, Martin Asher, Massachusetts Protective and Paul Revere Life, Los Angeles. It takes at least \$10,000 in annual premiums to win a bronze award, \$15,000 for the silver award and \$20,000 for the gold award. The record 255 is 33 more than the 1957 peak. Plaques and certificates will be given the recipients through local and state association meetings.

LPRT elected as president Tom Callahan, Time of Milwaukee; vice-president, Fay F. Cline, Travelers, Richmond, and secretary, Richard P. Stump, National Security, Indianapolis.

The executive board of IAAHU reported a growth in membership and considerable efforts at forming new local associations. The local groups are increasing their activity and legislative and community affairs.

Six companies were accepted for associate company membership during

1958-59. Four sustaining members were added during the year. These memberships offer individuals, associations and agencies a way to support the IAAHU.

There was an extremely full program of speeches, reports, panel discussions, and room-hopping sessions. Some of these were covered in last week's issue and some are reported elsewhere in this issue.

Twenty-three Indiana companies helped to underwrite the convention



Snapped at the IAAHU annual meeting in French Lick Springs: From left, Robert Thompson, director of training of American United Life, Arnold Berg, vice-president of Indianapolis Life, who presided at the Monday afternoon session, and Lawrence Leland, vice-president and director of agencies of American United.

expenses to the extent of \$100 each, on a rather novel basis. When in the summer of 1957 the Indiana A&S Assn. was awarded the 1959 convention, it faced a dilemma: The bulk of its expenses (promotion) would be payable before the bulk of its income (registration) would be available. As an agents' association, it was reluctant to ask for company contributions. Therefore, it decided to approach all Indiana life companies and all Indiana casualty companies writing A&S, asking that each lend the convention committee \$100, which the committee would do its best to repay in full but which it would be required to pay only pro-rata or not at all if convention net receipts should not permit full repayment.

Out of 46 companies so approached, exactly half responded with checks for \$100. Said Chairman Osler: "Without their support, we simply could not have operated."

At the Tuesday evening dinner, official representatives of each of these companies was recognized by name from the head table and given a round of applause.

Southwestern Life Honors Leaders

Awards for outstanding achievement during 1958 were given to leading agents of Southwestern Life at the company's 1959 convention in New Orleans last week. President James Ralph Wood announced that top honors for 1959 had been won by J. H. McCaffrey and Richard G. Fuller of Dallas, Ned B. Henry of Fort Worth, and Robert H. Hartley of Tulsa.

Mr. McCaffrey, a Southwestern Life agent since 1943, received the highest honor and was named president of

the Southwestern Life Club for his consistent production of quality business, and won a third award for having the largest amount of premium credit in 1958.

Mr. Fuller, who has represented the company since 1946, was honored as runner-up for the grand challenge award, vice-president of the Southwestern Life Club, and leader in individual sales of ordinary business.

Mutual Of New York Names Hull President

(CONTINUED FROM PAGE 2)

American Life Convention and Life Insurance Assn.

Mr. Dawson, like Mr. Hull, has been with the company for 31 years, starting in the law department and moving up to assistant general counsel in 1936. Two years later he became vice-president and general counsel. He was named a trustee in 1941, executive vice-president in 1949 and president a year later.

His tenure as Mutual president marked the company's biggest steps forward in its history. Insurance in force increased from \$4.4 billion at the end of 1950 to \$6.7 billion at the close of 1958; ordinary volume climbed from \$301.6 million in 1950 to \$802.5 million in 1958. The number of agencies increased from 94 eight years ago to 150 today.

He is past-president of LIA, a former director of Institute of Life Insurance, and has served on many joint LIA-ALC committees. While general counsel of Mutual, he was president of Assn. of Life Insurance Counsel.

Multitude Of Careers

Mr. Douglas, already successful in a multitude of careers ranging from mining to education and from Washington official to finance and business administration, was enlisted by Mutual's trustees in 1940 to stimulate and strengthen the company as president. It was he who initiated the revitalization program in the 1940s.

He remained president until 1947, when he was appointed U.S. Ambassador to Great Britain. At the time, he resigned as Mutual president and was elected chairman and granted a leave of absence without salary. He returned to the company as chairman in 1950.

Mr. Hughes has been with Mutual since 1942, when he became administrative assistant to the executive vice-president. In 1944 he was named associate controller and in 1945 was advanced to controller. He has been vice president and controller since 1952.

He started his business career with Bankers Trust Co. at New York in 1933, and in 1939 joined Mercantile Commerce Bank & Trust Co. at St. Louis. Mr. Hughes is president of Controllers Institute of America and a past president of Controllershship Foundation, Inc.

House Ways And Means To Hear Forand Bill

WASHINGTON—The House ways and means committee has scheduled up to five days of hearings on the Forand bill, tentatively scheduled to start July 13. The measure is sponsored by Rep. Forand of Rhode Island, second ranking majority member of the committee. The present version of the bill provides up to 60 days a year of hospital care, surgical benefits and nursing home care for OADI beneficiaries and paid for increasing contributions into the OASI fund.



OVER ONE QUARTER BILLION IN FORCE IN SIX YEARS OF ACTIVE OPERATION

A FEW OF THE REASONS FOR OUR PHENOMENAL PROGRESS

- 1—FAMILY GROUP PLAN—Maximum protection at amazingly low cost. Covers entire family plus new arrivals.
- 2—WIFE 20 YEAR TERM RIDER—issued up to \$250,000—50% of husband's insurance. If husband dies or is disabled wife's premium is waived. All these benefits, wife age 30—\$6.50 per \$1,000 annually.
- 3—INCREASING PROTECTION PLAN—Terrific package for top income groups.
- 4—SPECIAL BEQUEST POLICY—New and Unique—Premiums Tax Deductible.
- 5—COMPLETE LINE of very competitive policies, including new Preferred Whole Life 20, Preferred Paid-Up at 65, Annual Renewable Term, Quadruple Protection, plus an Unusual Investment Plan.

TOP FIRST YEAR COMMISSIONS

BEST MONEY MAKING CONTRACT ON THE MARKET WITH IMMEDIATE VESTED RENEWALS.

IF YOU ARE A GO-GETTER DESIRING TO BE IN BUSINESS FOR YOURSELF—
WRITE OR WIRE CONCERNING YOUR OPPORTUNITY
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